

AUSTRALIA

Bumper market price for Katherine lemons despite rain

Despite a couple of brief rain interruptions, the Katherine lemon harvest is still expected to fetch as much as 25-30% more than in a normal year. The bumper market price, currently \$80-100 per box for class I lemons, due to the Australian dollar's fall against the US dollar and solid demand following a worldwide lemon shortage. "Hardly anyone else is growing lemons in Australia at this time of the year, and with the US dollar strengthening it makes the US fruit expensive. There also seems to have been a worldwide shortage of lemons in the last 12 months," notes Greg McMahon of grower Seven Fields.



Another reason that the harvest works despite some rainfall is that growers are able to use mango-picking aids. These allow them to pick without risk of the fruit developing the Oleo blemish. As Mr. Mahon added further that it always rains this time of year, that's just one of the challenges. We've not stopped generally because we've been able to use the mango picking aids in January, and is still ongoing, with very little disruption caused by rainfall.

EGYPT

Major production expansion for key fruit exports

A significant expansion of table grape and stone fruit production for 2015 was

announced by a major Egyptian fruit producer PICO, while the company has begun shipments of newly added crops to EU markets.

Over the past 12 months, the Cairo-based company has focused on developing its existing grape plantations, focusing on increasing planted areas and adding new varieties.

Development of PICO's grape capacity will be bolstered by the addition of new varieties selected from Sun World and other programmes in order to offer the best basket of varieties for international markets, including white, red and black grapes for early, mid and late season opportunities.

At the same time, PICO has plans to increase the size of its peach and nectarine production, while new early red and mid-season dark red, black and yellow plum varieties will also be added.

PICO's expansion plans come during an exciting period of growth for the firm, which has seen the company develop its range beyond its signature strawberries, introducing new products into its fruit basket, including pomegranates, avocados, lychees and mangoes.

Over the past year, PICO has increased shipments to the Arabian Gulf and South East Asia and maintained business with Russia, although Hagenguth said the opportunity presented for Egyptian exporters by the Russian embargo has since been undermined by the falling value of the ruble.

By contrast, Hagenguth said South East Asian markets offered plenty of opportunities, although were very demanding in terms of price and product presentation. However, she emphasised that population growth, increasing incomes and the positive impact of tourism were all making the region an attractive prospect.

"We see continuous growth and perceive Asia as the new Europe, and obviously supermarkets believe the same when you look at the number of grocery retail chains opening in these markets," Hagenguth added.

FINLAND

Longobardi supplies new onion sorting machine

Recently the Italian manufacturer Longobardi supplied another optical Manriba sorting machine with camera systems for sorting the internal and external quality of onions. This machine was supplied to the Finnish company Ålands Trädgårdshall, located on the island Åland, between Sweden and Finland. This cooperation processes the onions and other agricultural products of various growers on this island. Most of the onions are intended for the larger supermarket chains in Finland.

Increasing problems with the internal quality combined with tightened quality demands from retail were the motivation for this company to immerse itself in the various techniques and suppliers. After various visits and comparison tests the choice was made to pick Longobardi. The reliable and consistently working patented NIR (Close Infra Red) system for the internal quality which is especially important to Ålands Trädgårdshall and means that they can once again meet the retail's high quality demands.

The two tracked sorting machine has 7 exits in total, with box fillers, pre-sorting and two exits linked directly to storage bunkers for the small packaging department. The total capacity is around 7.5 tons of onions per hour. The entire machine has been placed on a raised frame to provide optimal function of the box fillers and simpler cleaning of the machine and the working floor under the machine. The machine foresees the standard washing and drying installation for the cups, so that they stay optimally clean. Dirty cups have an influence on the reading of the cameras for the external quality and this means regular automatic washing and drying is of great importance.

The installation on Åland has now been running to the full satisfaction of the customer for a few months now and is therefore the most recent company, following Norway, Switzerland, Sweden, Denmark, USA, England in which the

Longobardi optical onion sorting machine Manriba with internal and external quality sorting has been applied with success. The Netherlands is going to be the next country.

HOLLAND

Red onions have a lot of growth potential

For many grading and packing stations, the red onions are a minor product and most customers like to see a company that actually specializes in them. The red onions could use a specialist too. It needs more attention than the usual yellow onions. The specialization in red onions, with packing station Agro Centre Holland in Langeweg didn't consciously go for the bulk market ten years ago. While starting business, it's virtually impossible to compete against the big sorting companies. But the red onions gave an edge. For many grading and packing stations, the red onions are a minor product and most customers like to see a company that actually specializes in them. The red onions could use a specialist too. It needs more attention than the usual yellow onions.

Agro Centre Holland exports about 75% of the red onions directly. Over the years, the marketing of onions is increasing. One example is England, where consumption of red onions is a lot higher than in the Netherlands. The English red onion acreage is a whopping 25% of onion production. According to the, competition from producing countries like Egypt is relatively modest. Egypt is on the market at the end of the season. Often the quality is waning at this point, and customers tend to switch to Egyptian onions. More competition comes from the pink Crimsun onion. Previously there were a great many small red onions going



to the Caribbean, but that market is completely taken over.

HOLLAND

Sweet Palermo new innovation

At Fruit Logistica in Berlin, Rijk Zwaan is presenting a major new innovation in the pepper category: 'Sweet Palermo®'. Jan Doldersum, Manager Marketing & Business Development at Rijk Zwaan, has high expectations of this concept thanks to the pepper's versatility combined with its particularly sweet taste.

Based on the Palermo RZ variety, Sweet Palermo is a sweet red pointed pepper which was initially produced in just a handful of locations but which is now available worldwide. "The strength of this new 'taste sensation' lies in the fact that we have a red and a yellow version in our range, both with the same distinct Sweet Palermo characteristics," says Jan Doldersum. "Consumers love the exceptionally sweet flavour, plus the versatility that Sweet Palermo offers them. It's a real all-rounder in the kitchen since it's perfect for grilling as well as being a delicious ingredient in fresh salads."

Sweet Palermo is popular among growers too because of its long shelf life, high yield and high brix value; on average, its brix score is 1 to 2 points higher than a standard blocky pepper. Palermo RZ has built up a good reputation over the years and Sweet Palermo now enables us to strengthen that even further. Moreover, various consumer studies have revealed that flavour is the primary factor in shoppers' buying decisions for fruit and vegetables. Sweet Palermo fits perfectly into that trend.

INDIA

EU lifts Indian Mango ban

The European Union (EU) has agreed to lift a seven-month-old import ban on mangoes from India, the world's biggest producer of the tropical fruit, after an audit by the 28-nation bloc showed significant quality improvements. The EU blocked shipments of Alphonso mangoes, the premium, pulpy variety, from May



2014 until December 2015 after authorities found consignments infested with fruit flies.

But in its September audit, EU's Food and Veterinary Office found "significant improvements" in quality. India assured the EU it would put in place measures to ensure cargoes are free from pests, the European Commission said in a statement. "The EU ban was due to remain until December 2015 but today's vote shows that the hard work of the Indian authorities has paid off," Britain's Environment Minister Lord de Mauley said in a statement. Although Europe is not a major market for Indian mangoes, any ban typically weighs on prices, hitting farmers' incomes. The Middle East buys 80% of mango exports from India, which accounts for about half of global output. Other major producers include China, Thailand, Mexico, Pakistan, the Philippines, Indonesia, Brazil, Nigeria and Egypt.

MYANMAR

Myanmar fruit prices falling

According to an official at the trade zone, the prices of Myanmar fruits sold at the fruit market in 105th mile Trade Zone in Muse are decreasing because of poor quality. The official said, "Last week, there were no buyers for golden musk melons. That's why we decided to give away the melons free to schools and other places around the 105th mile trade zone. But during recent days, the prices are gradually increasing,"

This year, the highest price of watermelon is only 2.2 Yuan per kilo and the price is a half compared to previous prices.

Moreover, there are more supplies than demand of fruit export via 105th mile Trade Zone to China and the quality

of Myanmar's fruits is not up to standard. "At the moment, our farmers are waiting for the melon prices to increase. Our fruit quality is not good because we plucked the fruits too early. The Chinese merchants demand to buy good quality of the fruits," said a local fruit merchant in Muse.

RUSSIA

Loss of Russian market becomes acute for European exporters

Europe's apple growers knew it would make for a complicated season when last year, Russia announced a ban on European goods. Large apple crops all over the world virtually ensured prices would be low, but now that the season enters the stage where exporters usually send their fruit to Russia, European apple suppliers are plainly aware of the gap the absence of the Russian market has left.

The exporters look to new or emerging markets to handle the excess volume of fruit that the Russian ban has left them with, the options are slim. Asia takes about 25,000 tons of apples every year, estimates Peyres, and though they can bump that up to about 28,000 tons, it doesn't begin to make up for the 700,000 or so tons of apples that Russia usually takes. While prices for European apples will make them competitive in Asia, it's uncertain how Asian consumers will respond to large quantities of European fruit. With such a situation, only a few people are having decent years.

This season has been an exchange rate that makes it easier for exporters to sell their fruit. With the presence of a large crop from the United States, as noted that it was not for the current exchange rate, they would have a slim chance of competing with fruit from around the world that is both plentiful and priced low this season.

The processed market offers a way for sellers to unload some fruit from this year's bountiful harvest. The good quality of fruit this year meant that not many apples were sent for processing earlier in the season, but demand from the processing market in foreign markets is

healthy. China, in particular, takes a significant amount of apples for processing. But that outlet, like every other outlet this season, cannot make up for the fact that there are too many apples and not enough places to sell them. As new varieties are easy to sell, but those are of such small quantities, it's going in a bad part of the business cycle, and it'll just have to see if things change next season.

MOROCCO

Moroccan berry growers look for niche in European market

Using Australian blueberry varieties developed for plantings in Morocco, African Blue is hoping that the gap in the blueberry production between Chilean and Spanish supplies can offer Moroccan growers a lucrative window in the European export season.

"Moroccan blueberry production is well-positioned and can offer fruit during a unique window," explained Jean Cesar LEOSTIC, supply chain manager for African Blue. "Chile finishes its season by February, and the next country that can supply blueberries in the Northern Hemisphere is Spain, which starts around mid-April. From February 15 to April 15 no other country can offer quality Kirra blueberries during this period." Kirra blueberries are African Blue exclusivity. They have excellent size, colour, sugar and texture, noted Jean Cesar, making them an attractive option for consumers. The quality of the berries is a result of the interaction of the berry plant (from Costa Exchange) with the Moroccan soil and climate. While local consumption skews toward strawberries, demand for blueberries abroad has been robust.

"Demand is very high, and it will continue to grow as more consumers



become aware of the healthy benefits of blueberries," said Jean Cesar. "African blue will offer 3000 tons of berries this season, and we should reach 7,000 tons by 2017."

SOUTH KOREA

Aims for \$7.7 billion worth of exports

South Korea aims on expanding presence in China, Southeast Asia and the Muslim Halal food market, to increase exports to US\$7.7 billion worth of agricultural goods this year. As the government mentioned. The Ministry of Agriculture, Food and Rural Affairs mentioned that the goal represents more than a 24.4% increase compared to \$6.19 billion worth of farm goods shipped out in 2014. Last year's farm exports grew by 8.1% on year, far outpacing the country's overall export growth of 2.4 %, according to ministry figures.

For China, the top priority is to get South Korean farm and processed food products into department stores and online shopping malls. He further added that the free trade agreement reached with China last year would help the efforts.

On ASEAN and the rapidly growing Halal market, the ministry said they offered good growth potential. The Halal market stood at \$1.08 trillion in 2012 and is expected to grow to \$1.62 trillion in 2018, or 17.4% of the global farm and food market in the cited year. Halal food is prepared according to religious rules for Muslims, but 80% of the food comes from non-Muslim countries and companies such as Nestle SA. Indonesia, Malaysia and the Middle East were also cited as attractive markets.

SOUTH AFRICA

South Africa's new cold room facility

EKM Exports and GOGO Fruit South Africa have been exporting South African fruit to major markets across the world for over a decade. In recent years the group has become more and more concerned



about impossibly long delays that exporters have had to deal with the cold storage facilities.

Congestion and a lack of space can sometimes result in fruit being left outside of the cold rooms for days. The delays result in the quality of the fruit, as well as the quality of the packaging, being affected. They have now taken the next step towards being in control of the value chain.

The facility is located inland near the beautiful Loskop Valley in Limpopo province, South Africa. The location of the facility plays a major role in its success. It is centrally located, allowing growers from the Loskop Valley, the Tzaneen and Waterberg Regions, the Low Veld, and the Highveld; convenient access to the facility.

With a storage capacity of 4,500 pallets and the capability to pre-cool 600 pallets prior to sterilization treatments, the facility itself is impressive. The fruit is kept at sub-zero temperatures for 72 hours after a pull down time of just 24 hours. Isolated loading bays, the shipment management systems and the capability to pre-batch containers (out of cold steri rooms) prior to loading make GOGO's cold rooms one of the most versatile cold storage facilities in South Africa.

Cold treatment is the sterilization process that perishable goods must undergo for receiving countries such as China, India, Japan, Zambia, Nigeria and Bangladesh. In these markets strict phytosanitary regulations are imposed on the importation of fresh produce. The main focus is business development in the Far East and Africa. The new facility will undoubtedly play an important role in these activities.

Extensive care is taken to ensure that the quality of the produce being shipped out of GOGO Cold Rooms remains consistent and of industry standard. To ensure this, the

onsite quality control rooms at GOGO Cold Rooms are manned by independent quality control officers from the Perishable Products Export Control Board (PPECB) as well as the Department of Agriculture, Forestry and Fisheries (DAFF) day in and day out.

SPAIN

Strawberries seek to enter Asian market

Huelva's strawberry campaign has already started. In the coming days, shipments will increase both to the domestic market and to other European countries. For now, prices are good, of between 4 and 5 Euro per kilo at origin.

This year, about 10% fewer strawberries have been planted in Huelva, and in the first weeks of January production volumes have not been great when compared to previous seasons. The cold wave that affected Europe in late December and the low temperatures since early January slow down productivity.

But the sector remains cautious: "We have to be vigilant, because cold waves in January can cause pollination problems, resulting in fruits that would fail to meet their marketing standards for February," said Freshuelva manager Rafael Domínguez, who told FreshPlaza about the key to the present and future of strawberries and berries in Huelva.

According to him, Huelva's growers are moving from a focus on strawberry monoculture to a greater diversification into other berries, like blueberries and raspberries. In fact, the 10% fewer strawberries planted has led to a 25% increase in the planting of blueberries, raspberries and blackberries. The poor performance of strawberries over the last two seasons in terms of value has motivated many companies to promote the cultivation of other berries.

Meanwhile, the increase in strawberry production in countries, like Morocco, Egypt or Turkey, and in other European countries, such as the UK, the Netherlands, France and Belgium, motivated by the subsidies granted by their governments to promote this crop, is resulting in an increasingly competitive

market for Spanish strawberries, which traditionally had these countries as major destinations.

SPAIN

Sharp price increase long cucumber and green beans

According to data compiled by Hortoinfo, long cucumbers (also known as Dutch or Almeria cucumbers) have registered a dramatic comeback, with an average price on January 2015 of 0.73 Euro per kilo. At the beginning of the week that started on January 2015, the average price of long cucumbers stood at 0.39 Euro per kilo. The top price registered was of 0.83 Euro per kilo, which was reached at several auctions.

Meanwhile, French and short cucumbers have remained stable, although the latter shows an upward trend. The French variety has remained in the range of 0.64 to 0.66 Euro per kilo, reaching its peak on the 12th, in Agroponiente, where it was sold for up to 0.79 Euro per kilo. In the case of short cucumbers, they opened the week at 0.53 Euro, and they reached an average of 0.73 Euro, with a top price of 0.83 Euro per kilo paid at Alhóndiga La Unión.

Green beans

The case for round green beans is also worth noting, as this week they have reached almost 7 Euro per kilo, with a top price of € 6.92 per kilo registered on January at Agroponiente. The average price during the week has remained at around 5 Euro, except, when the average price stood at 3.80 Euro. Flat green beans remain at around 3 Euro, with a weekly average of 3.08, reaching a top price of € 4.15 per kilo at Agroponiente.

