

AUSTRALIA

Cherry production on rise

According to US Department of Agriculture (USDA)'s Foreign Agriculture Service (FAS) predicts Australian cherry production in the 2013/14 season is expected to increase by 12%.



The forecast for the coming season is currently at 14,000 metric tonnes, up from 12,400 metric tonnes in 2012/13. This increase in production is thought to be the result of optimal seasonal conditions. Australian cherries gained access to the Chinese market in January, with an initial shipment of 66 metric tonnes.

Access to cheap and efficient air-freight, as well as their geographical proximity, means that Australian cherries can reach China sooner than their competitor Chile, which provides cheaper produce. However, this advantage applies only to Tasmania at present, as cherries from mainland Australia have their passage slowed by the need for cold-treatment.

BRAZIL

Brazilian poultry industry model for Pakistan

Brazil poultry industry production and business models have brought phenomenal success, placing this country as the one of the largest supplier of poultry meat. This is a great example for Pakistan, as the Brazilian industry has seen consistent growth of more than 15% in the last 10 years, with exports to 150 countries, four million local jobs and price stability at around \$1.3 per kilogramme. Moreover, there has not been a

single case of avian influenza (bird flu) in the history of Brazilian poultry industry.

Pakistan poultry industry has many parallels with Brazilians, when it comes to genetics and technology. The sector growth in Pakistan is 20% in the last decade. The three main challenges are failure to stabilize, to promote processing and to find export markets. These are the areas where perhaps Pakistani businesses need to learn from the Brazilian model.

Brazilians have integrated the entire chain from hatching to processing. The farmers, spread across the massive Brazilian land mass, only contribute land for aviaries (sheds), while the rest is done by the industry.

According to Adriano Zerbini, Market Relations Manager of UBABEF, once a farmer applies to be part of integrated chain, the industry helps him with bank loans, trains him into raising chicken as per global standards. The strength of the Brazilian industry can also be gauged from the fact that not a single penny of subsidy is involved in the business.

Poultry business in Pakistan has very strong prospects in terms of technological and genetics strengths. Now is the time for it to launch itself and benefit both consumers and the poultry farming business. It needs to lower its local prices compared to international prices so that export market become more financially lucrative for the Pakistani poultry industry.



CHILE

Worst frosts hit fruit production and exports

Chile have suffered their worst frosts in 20 years, hitting production of almost all major fruit export lines. The hardest hit

area is region VI where more than 55% of the acreage under production has been affected. In the Metropolitan region, 45% of the area under fruit crops has been hit and 40% in region VII. More than 35% to 61% of peach, nectarine, plum and cherry orchards, varying by variety are also affected. Kiwifruit vines were also hit with some 48% of acreage nationwide are affected.

Fedefruta also reports that 20% of grape hectares have been touched and there are instances of damage to pear and blueberry output. The losses are expected to affect the labour market as considerably fewer workers would be required during the southern hemisphere spring and summer to harvest and pack crops. Fedefruta will be working closely with the export sector to ensure the producers get the best returns.

GERMANY

Wheat exports to Iran

Germany exported 66,000 tonnes of wheat to Iran in May 2013, continuing the trend of large shipments to the country in recent months. Despite the disruption caused by sanctions, Germany has been a major source of wheat for Iran.

The total German wheat exports to Iran in the period between July 2012 and end-May 2013 to 1.153 million tonnes. Germany had exported only 372,000 tonnes of wheat to Iran in the same period a year earlier.

Although substantial, the May exports were down from the 119,653 tonnes of wheat Germany exported to Iran in February and the 125,577 tonnes shipped in January 2013.

HONDURAS

Melon producers seek to boost exports

The melon growers seek to enhance its export capacity with the reduced risk of containers being returned due to phytosanitary problems. The industry has shown marked improvement in recent years. The export of 14 million boxes of melon in the 2012-2013 cycle allowed

them to have revenues of \$60 million, their largest market is the US, followed by Europe and Asia. Some of these figures are the result of the implementation of food safety prevention systems in order to prevent salmonella and other infestations.

INDIA

Increase in Soya meal exports

India's exports for soya meal are expected to reach as much as 5 million tonnes year beginning October 1, 2013. This increase is amounted to 25% compared to previous year, finding strong demand from Iran and Thailand.

India's soya meal exports compete with South American shipments in Asian markets, and 600,000 tonnes of deals have been signed for October to December already, according to the head of leading soybean processor Ruchi Soya.

It is estimated that total exports would be flat at 4.1 metric tonnes, but the head of India's leading edible oils importer and refiner, Adani Wilmar, stated that exports may be 4.5 to 5 metric tonnes.

According to Adani Wilmar's chief executive, Atul Chaturvedi, output of soybean in 2013/14 is estimated as high as 13.5 to 14 metric tonnes, as compared to 12.5 metric tonnes in the current year.

Sugar prices decline due to surplus in Asia

The global sugar surplus in the next crop year may have to be revised upwards after favourable rain across much of Asia raising expectation for better output.

The International Sugar Organisation (ISO) and analysts such as Datagro, Kingsman and Czarnikow has to revise their numbers as output is set to exceed earlier expectations in producers such as India, Thailand, the Philippines and Pakistan.

The impact of the Asian monsoon is not being given much recognition in the market, whereas there are sizeable concerns raised regarding rain impact on the

centre-south Brazil harvest, which is thought to be balanced out by Asian production and exports

Indian sugar production is expected to be stronger due to a favourable monsoon. India, being the world's largest sugar consumer and second largest producer after Brazil, may export as much as 3 million tonnes in the next crop year to get rid of excess supply. India usually ships sugar to the Middle East, Sri Lanka and some African countries, but it will have to compete with Thailand, whose output will reach a record 11 million tonnes.

JAPAN

Japanese farmer grows heart-shaped watermelon

A Japanese farmer Hiroichi Kimura has grown the world's first heart-shaped water melon. The farmer, was originally a standard watermelon grower whose curiosity into whether it would be possible to grow his product in a specific shape.



The watermelon also reportedly has a pleasant texture and flavour, with a crunchy consistency, sweet juice and a lingering flavour.

Kimura subsequently devoted several years into researching whether such a feat was possible, including reading up on growing techniques, developing a heart-shaped mould, researching the ideal cultivation methods, soil conditions, atmospheric temperature, and moisture levels for the product.

MALAWI

Food shortage in Malawi

According to Malawi Vulnerability Assessment Committee, nearly 10% of

its 13 million people face hunger, due to low production of main staple food item maize. The total number of people who will not be able to meet their annual food requirement during the 2013-14 consumption period is 1,461,940, representing 9.5% of national total population.

The shortages will affect poor households in 21 districts of the southern African country. One in two Malawians lives on less than a dollar a day.

Malawi had a good food security record in recent years after late president Bingu wa Mutharika implemented a subsidy programme giving poor villagers access to fertilizers and inputs. Food shortage in this impoverished southern African country is mainly caused by drought and economic difficulties.

MALAYSIA

Pakistan is the 4th leading market for palm oil

Pakistan is now the fourth largest importer of Malaysian palm oil after China, India and EU. In 2012, Pakistan imported over 1.4 million tonnes of palm products from Malaysia valued at over USD1.3 billion.

Malaysian government is making efforts along with Malaysian Palm Oil Board (MPOB) to ensure that Malaysian palm oil remained relevant as the major product in Pakistan's edible oil industry.

MPOB is actively involved in developing standards for palm oil products and seats in numerous technical committees in the development of international standards such as the ISO standards, the American Oils Chemist Society and Codex.

Maximum efforts are extended by the consulate general to ensure the quality of Malaysian palm oil in Pakistan. MPOB has a regional office in Karachi, which has been here for 27 years. The fact that this office is covering 24 other countries from Karachi, is a true demonstration of the commitment to ensure the smooth flowing of quality Malaysian palm oil into Pakistan market.

MEXICO

Mexican papayas to enter Europe through Spain

Papaya producers aim to expand the export opportunities for their products and enter Europe's main markets, as stated by the Papaya AC.

Currently small shipments are being made to Europe, aimed at improving the product's popularity, of just between six and twelve tonnes; volumes which they seek to increase to 25 tonnes per week.

The Mexican papaya producers are not willing to depend exclusively on North America and wish to seize the opportunity to ship papayas to Europe.



With new challenges they are interested in developing new export strategies, as well as projects that can promote and strengthen the Mexican papaya industry.

NEW ZEALAND

Apple exports to China

New Zealand has voluntarily suspended apple exports to China to resolve the issue of post-harvest rot, which was detected on three consignments of apples.

China is a relatively small but growing market for New Zealand apples, with a value of NZ\$15m out of total worldwide exports worth \$400m.

New Zealand's Ministry of Primary Industries said the rot, which was caused by the fungus *Neofabraea alba*, does not have a food safety risk, but has been identified as a quarantine pest by China for plant health reasons.



The New Zealand government and apple industry are working with Chinese quarantine officials to provide all the technical and scientific information about *N. alba*

Chinese authorities have identified that the consignments came from a small number of production sites and pack houses in the Hawke's Bay. They have requested that apples from those sites be suspended from exports to China.

The New Zealand industry has responded by suspending all apple exports to China for the remainder of the season. The impact will be negligible because the season is virtually over, with only a few containers still left for export markets.

NEPAL

Pak-Nepal Joint Working Group cooperation for agriculture

In the first Pak-Nepal Joint Working Group meeting both the countries have identified wide range of areas for cooperation in the field of agriculture.

The meeting held between National Agricultural Research Centre (NARC), Pakistan and Ministry of Agricultural Development (MOAD), Nepal, decided to appoint NARC Director of International Cooperation and MOAD Chief Foreign Aid Coordination as focal persons in the two countries. His objective would be to establish regular communications and exchange ideas for practical steps to be taken for enhancing cooperation in the agriculture sector.

The areas of mutual cooperation identified include: exchange of germplasm experts; agricultural mechanization; bioremediation of sewerage/waste water; land resources and water management; bio-fertilizer and fertilizer use efficiency; integrating alternative energy and high-efficiency irrigation system; integrated plant, pest and nutrient management; forage production; rangeland management; pure breed improvement programme; post-harvest technology; dry fruits; sharing of technological packages on tea, coffee, ginger, large cardamom, turmeric, true potato seed and mushroom; breed improvement programme in cattle, goat and sheep; cold water fisheries technology; vaccine production and associated technologies; agribusiness and value chain development; and agricultural policy analysis.

PERU

Six new pomegranate varieties

Peru will be introducing six new pomegranate varieties to replace Wonderful the most commonly produced pomegranate variety in Peru. This will be done through a partnership between Peru's National Agrarian Innovation Institute (INIA) and companies from Israel.

The newly introduced varieties are expected to alleviate such problems which Wonderful has posed due to its high need for water and demanding soil requirements.

These are higher production varieties, with a bright red color and tolerance of nematodes. Furthermore, these varieties will need less water and adapt to salty, sandy soil.



Plantings for these new varieties are planned for Lima and Ica, although other zones are still under consideration. These varieties are expected to increase national production volume by 30%.

RUSSIA

Increase in consumption of juices and nectars

Annual production of juice products is increasing in Russia, and imported fruit concentrates are primarily used by the local companies. Virtually all Russian juice production (up to 85%) mainly refer to packaging activities. This is due to the climatic conditions, along with the lack of sufficient investments in the domestic horticultural industry and local processing.

According to global and domestic market research, performed by Global Reach Consulting (GRC), Russian domestic production of juices and nectars increased by almost 4% in 2012, compared to 2011. Fruit and vegetable juices showed the greatest growth, as domestic production of juices for children, decreased by 9%.

The 4th largest manufacturers, owned by two foreign companies (PepsiCo and Coca-Cola), dominate the Russian market for juices and nectars.

The recent trend of a healthy lifestyle favorably influenced the increase in consumption of fruit and vegetable juices and nectars, becoming part of a proper diet. According to data for 2012, a Russian consumes an average of 21 liters of juice products per year, which is 5% higher than in the previous period.



Comparing juice consumption in developed countries, where one person consumes 30-40 liters of juices and nectars per year, Russia is still far behind.

SOUTH AMERICA

Table grape industry of Brazil, Peru and Chile

Brazil's table grape industry is anticipating 4% decline in export volumes this season, due to a rise in production costs. However, at the same time, the domestic Brazilian market is continuing to grow and is absorbing more fruit every year.

On the other hand Peruvian grape exports are forecasted to grow by 13% this year (2013/14) in comparison to last season. This growth is the result of higher rate of planting as, each year, an average of 1,000ha are planted with grapes in Peru.

As far as Chile is concerned, water problems persist in the northern regions of the country which is limiting production and therefore exports. To that end, a slight volume increase of 1% is expected against the 2012/13 season.

South America's grape volume totaled 1.06m tonnes in 2012/13, up 4% on the previous season. Among the three countries, however, Peru was the only supplier to achieve a solid growth in exports, with volume rising 12%. Conversely, Brazil experienced a 12% decline in exports, while Chile only saw 4% growth.

SPAIN

Increase in exports of Spanish tomatoes

Exports of Spanish-grown tomatoes increased during the first half of 2013. The overseas sales stood at 640,960 tonnes, up 9.5% year-on-year, mainly driven by EU demand and increased exports to Russia and Belarus.

Around 602,425 tonnes were exported to EU countries, representing 94% of total shipments – an increase of 7% on the opening six months of 2012.

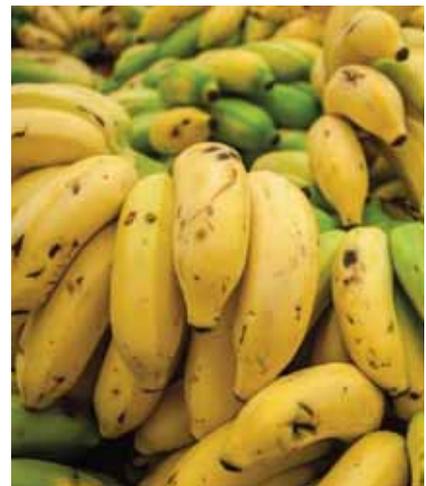
Germany was the largest importer with 132,888 tonnes, 11% more than the previous year, followed by France with 95,471 tonnes.

Russia has become the primary non-EU destination for Spanish tomatoes, doubling its imports to 24,059 tonnes in the first half, with exports to Belarus jumping from 543 tonnes in 2012 to 5,622 tonnes.

TAIWAN

Banana industry shows decline in exports

With a sharp fall in exports and decrease in returns farmers receive for their produce, the banana industry is showing a declining trend.



The Taiwan Banana Research Institute wants to market the banana as a luxury item, particular the Cavendish Pei-Chiao variety most commonly grown in Taiwan, for which consumers will pay a premium.

They also aim to discover a popular product to encourage banana consumption, like the pineapple cake that proved so profitable for the pineapple industry.

Till the country's surplus bananas have been turned into chips, puddings and local liquor. One baker famous for winning international competitions including France's Coupe Louis Lesaffre, Wu Pao-chun, has created his own version of banana bread as a tribute to farmers. He is hopeful that people will soon become accustomed to the flavor of banana bread.

THAILAND

Thai sugar exports rise

Thailand, the world's second-biggest exporter after Brazil is expected to export 8.0 million tonnes of sugar in the 2013/14 season, up from 7.5 million tonnes in the previous year. Exports are expected to increase due to an increase in production area, due to higher cane prices.

Sugar output is expected to reach as much as 11m tonnes in 2013/14 against 10.2 m tonnes in the previous year. Thailand supplies sugar to countries such as China, Indonesia, South Korea and Vietnam.

Thailand sells rice to Iran

Thailand will sell 250,000 tonnes of rice from its stocks to Iran in a government-to-government deal. The variety is 100% white rice grade and delivery is due to start in October 2013.



Thailand is stepping up efforts to sell rice from its stockpiles in order to get fresh funds for a costly expensive scheme and to make way for grain from coming crops.

USA

Bumper corn harvest after drought

Corn is expected to bounce back from last year's devastating drought with a bumper harvest in the coming season.

Last year, around 80% of farmland in the United States, the world's biggest corn producer, was scorched by extreme heat and drought, which damaged crops. This led to increased global prices hurting



the poor countries that depend on imports.

In the 2012/2013 season, the global corn harvest plunged to 855 million tonnes from 883m tonnes a year earlier.

This upcoming season, however, the US Department of Agriculture (USDA) is forecasting a harvest of 960 million tonnes, of which the US is predicted to supply more than a third.

Agriculture related exports to reach US\$140bn

US agricultural trade for fiscal year 2013 is expected to set a new export record. Projections show that agricultural exports will reach US\$140bn for the year. According to US agriculture secretary Tom Vilsack, Agricultural exports will have a real impact on Main Street and beyond, supporting more than one million good jobs.

Vilsack pointed out that the country's farmers and ranchers needed a reliable and stable agricultural workforce to keep up production, strengthening American agriculture and maintaining strong exports in coming years.

UAE

MAP market forecast to attain strong growth through to 2022

The modified & controlled atmosphere packaging market is expected to reach a global market value of \$10.80 billion in 2013. Market growth is set to be driven by companies and organizations across a number of sectors seeking to exploit increased consumer demand for prolonged shelf life and convenience.

The contemporary consumer is focused on quality, longer shelf life, and the attractiveness of packaging. This has sparked the rise in modified & controlled atmosphere packaging which has served as a means to appeal to all of these demands.

Controlled atmosphere packaging is the enclosure of food in a gas impermeable package inside which the gaseous environment with respect to CO₂, O₂, N₂, water vapour and trace gases has been changed and is selectively controlled to increase shelf life.

Modified atmosphere packaging is the enclosure of food in a package in which the atmosphere inside the package is modified so that its composition is other than that of air.

VIETNAM

Increase in exports of fresh produce

Vietnam has registered a significant rise of 46.7% in its fresh fruit and vegetable exports for the first half of this year. This increase has taken export revenue for this produce to more than US\$724m for the first six months of 2013.

In the first half of September alone, Vietnam saw revenue of US\$35.6m from its fresh fruit and vegetable exports.

Remarkable growth was observed in this sector, particularly when other agriculture industries are struggling with volume declines and lower returns.

Export turnover for vegetables alone is likely to exceed US\$1bn this year, with industry experts seeing further room of growth. ♦

