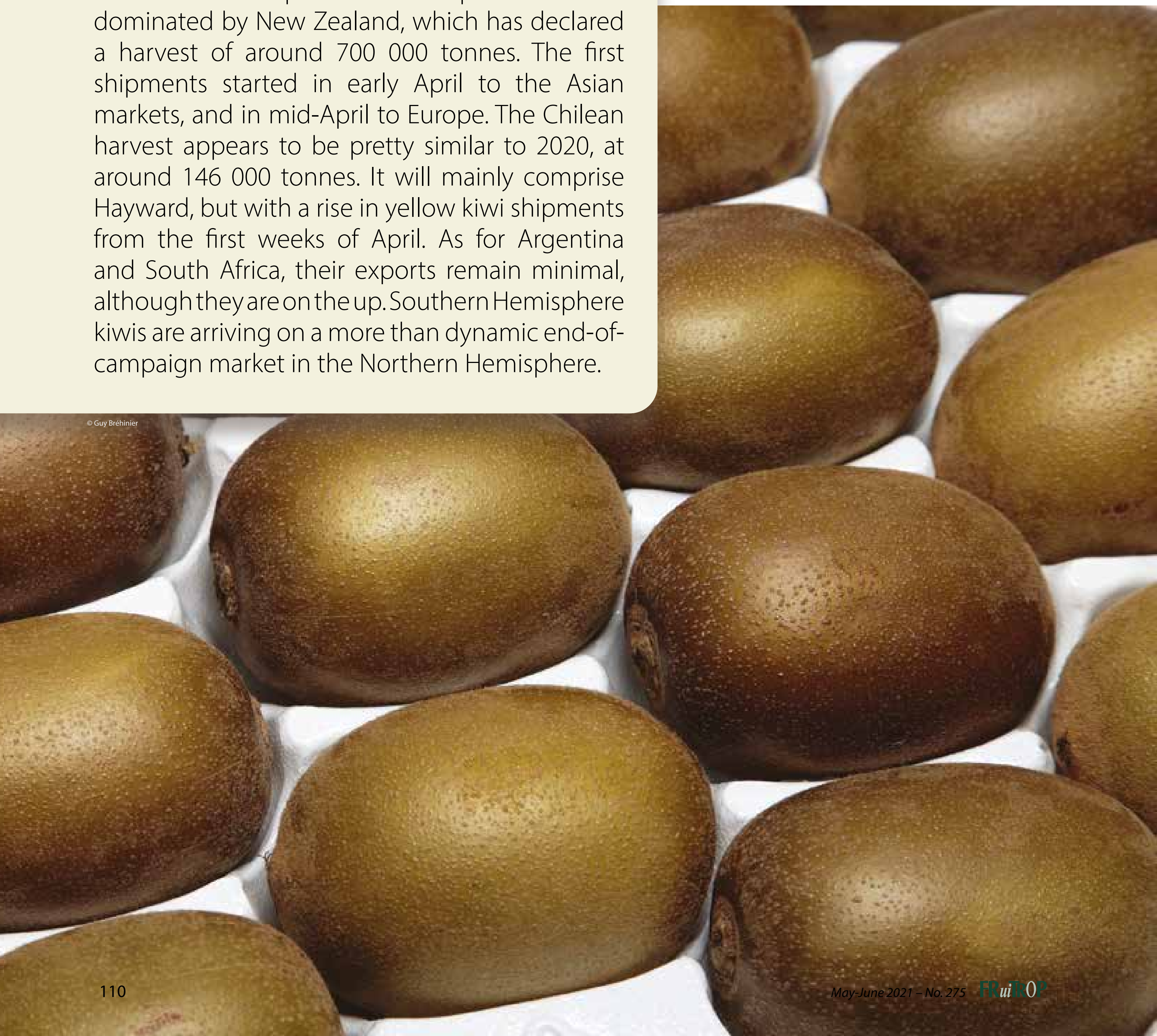
Export campaign getting going on a dynamic market

by Anne-Solveig Aschehoug, consultant
annesolveig.presse@gmail.com

Southern Hemisphere kiwi exports will be dominated by New Zealand, which has declared a harvest of around 700 000 tonnes. The first shipments started in early April to the Asian markets, and in mid-April to Europe. The Chilean harvest appears to be pretty similar to 2020, at around 146 000 tonnes. It will mainly comprise Hayward, but with a rise in yellow kiwi shipments from the first weeks of April. As for Argentina and South Africa, their exports remain minimal, although they are on the up. Southern Hemisphere kiwis are arriving on a more than dynamic end-of-campaign market in the Northern Hemisphere.



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New Zealand campaign off to an auspicious start

The New Zealand campaign should represent the equivalent of 177 million trays, i.e. approximately 700 000 tonnes, to register a new record harvest. The good pollination and the rains which followed boosted the fruit quality and size. We should note a spell of hail in certain zones such as Motueka and in isolated spots elsewhere. The first kiwis were harvested on 5 March in Gisborne. The Gold variety was harvested first, followed by the green variety at the end of March. The harvest reached its peak in mid-April, and will last until June. Again this year, because of the Covid-19 pandemic, there is a shortage of foreign labour usually hired for the harvest. The government announced the arrival of 2 000 seasonal workers from the Pacific, authorised to enter New Zealand between January and March, but only 30 or 40 reached Northland. To make up for this, the government encouraged New Zealanders to come and work on the orchards, by launching a campaign entitled "Opportunity Grows Here", with the vacancies situated mainly in Bay of Plenty, Hawke's Bay, Poverty Bay, Auckland, Northland, Tasman and South Waikato. New Zealand's kiwi cultivation area extends from Kerikeri in the north to Motueka in the south. The industry has nearly 2 800 growers, over a surface area of 13 000 hectares. The cradle of production is located around the town of Te Puke in Bay of Plenty

Export shipments began in April to Asia (China, Japan and Singapore), with in particular red-fleshed kiwis which the New Zealanders want to promote in a big way. The first Gold reached Europe in mid-April (7 000 pallets), and the first Hayward are expected in May. In total, New Zealand will send five reefers to Northern Europe, twelve to the Mediterranean and forty to the Asian markets. The country is also expecting to ship 18 000 containers.

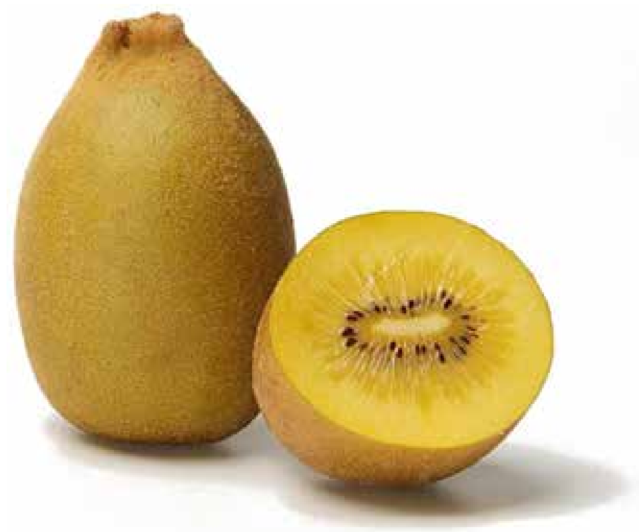
For the European markets, New Zealand is planning to send 20 % more yellow kiwi than last year, reflecting the rise in demand for this variety, and is predicting identical volumes of Hayward. In parallel, thanks to investment in the packing station at the port of Zeebrugge, New Zealand will be able to offer plastic-free packaging to meet the expectations of the European markets.

As regards the development of the kiwi industry, Rabobank's forecasts are reckoning on a potential harvest of 300 million trays by 2028. To achieve this, apart from new planting, investment will be needed in post-harvesting to increase storage capacities in the coming years.

Kiwi – New Zealand – Evolution of exports to the EU

In tonnes	2014	2015	2016	2017	2018	2019	2020
Belgium	88 510	105 513	119 336	107 446	128 257	123 598	133 780
Spain	33 287	41 308	47 899	36 312	45 326	42 150	46 634
Italy	14 130	15 424	14 233	10 728	17 339	13 932	15 515
France	342	329	327	326	357	408	486
Netherlands			13		73	144	140
UK						1	1
Germany	1	25					
Total	**136 270**	**162 600**	**181 808**	**154 811**	**191 352**	**180 233**	**196 555**

Source: Eurostat



Chile: decent volumes with smaller fruit

Chilean growers are expecting a fairly similar harvest to 2020, with exportable volumes of up to 146 000 tonnes, and comprising 97 % green kiwi, 2 % yellow kiwi and 1 % other varieties. According to the Chilean Kiwi Committee, the quality is in place, with good dry matter content. We will also need to factor in the water shortage seen in 2020, which could have affected production, yielding smaller-sized fruit. Conversely, the heavy rains in January, which caused damage in all the production regions, should not have a major impact, except in the event of longer storage periods, which will require monitoring.

After a very cool summer, the campaign got off to a slow start in the northern and coastal regions. The first Hayward kiwis were harvested from the beginning of April. The first shipments started with early varieties such as Green Light, Dori and Soreli, and were concentrated on Latin America, before being aimed at the usual markets, i.e. Europe, Asia and the USA.

Faced with a rather dynamic market as the European and the US campaigns wind down, the Chileans expect a fine commercial campaign similar to last year, or even livelier. In China, there are set to be local stocks as well as a larger presence of New Zealand kiwis. India and Japan could show some interest in Chile as an origin. At the end of week 15, the Chilean Kiwi Committee announced that exports had already reached 16 000 tonnes, i.e. a 10 % rise on the same period in 2020.

According to the latest data from Odepa (2019-2020), the Chilean kiwi cultivation area extends over 7 500 ha, with the biggest surface areas situated in the regions of Maule (3 691 ha) and O'Higgins (3 014 ha), followed by the Metropolitan region (318 ha), Nuble (304 ha), Valparaiso (72 ha), Biobio (48 ha), Los Rios (36 ha) and La Araucania (17 ha).

The Hayward variety is predominant, though its surface areas have been clearly shrinking since 2013, going from more than 11 000 ha to 7 500 ha in 2020. The yellow kiwi, after a big rise from 2013 to 2015 up to 700 ha, saw its surface areas decrease until 2019 (400 ha), before a slight increase in 2020 (418 ha). The majority of yellow kiwi orchards are situated in the O'Higgins region (more than 250 ha in 2018), with a few hectares in the Metropolitan region (5 ha in 2020).

Chilean fruit quality has improved once more, due to better orchard management, and better yields thanks to the implementation of a maturity assurance programme (MAP). This has provided fruit with higher degrees Brix and a higher dry matter content, which makes for better storage. Hitherto, planted surface areas were falling because of uprooting due to PSA, and to the presence of old orchards losing profitability. Now however, planting projects can be observed, as well as the maintenance of older orchards; especially since kiwi orchards can supplement other fruit species, thereby contributing to retaining the workforce in the fruit sector year-round. In parallel, in March 2021 the Chilean Kiwi Committee launched an agricultural management platform at the disposal of growers, so that they could view their geo-referenced orchards, obtain climate information and satellite images for a more precise idea of the homogeneity of their crops. This project was designed in partnership with the FDF (Foundation for Fruit Industry Development) and ANASAC.

Kiwi – Chile – Evolution of exports to the EU

in tonnes	2014	2015	2016	2017	2018	2019	2020
Netherlands	11 633	21 311	14 968	16 322	18 664	13 177	17 321
Italy	7 695	15 971	12 802	12 709	13 242	11 375	14 106
UK	6 050	8 161	6 328	9 009	9 770	7 401	9 839
Spain	3 340	9 194	9 202	8 639	9 740	7 003	6 503
France	3 236	5 331	3 740	3 846	4 013	3 243	3 285
Germany	301	234	472	457	932	628	336
Belgium	408	70	143	13			48
Total	**32 662**	**60 271**	**47 654**	**50 994**	**56 361**	**42 827**	**51 437**

Source: Eurostat

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Two exporters to keep an eye on: Argentina and South Africa

There are other Southern Hemisphere countries producing kiwi, but on a much smaller scale, such as South Africa and Argentina. In 2020 Argentina rose in terms of volumes and exports, with total exports of 2 591 tonnes, as opposed to 368 tonnes in 2014. Europe is its main outlet, with shipments mainly going to Italy (1 165 t), the Netherlands (649 t) and Spain (633 t). Outside of Europe, Argentina also exported to Uruguay (135 t) and Canada (94 t). Production of the Jintao variety could increase, especially in the organic segment.

In South Africa, export volumes are rising, though they remain small. In 2020 it shipped 256 tonnes to Europe, with 105 tonnes for the United Kingdom alone. Other outlets included Canada, Israel, Uganda and Zambia ■