



SHAFTE

SA's fruit in the southern hemisphere context

The export of fresh fruit in the southern hemisphere boasts a US\$14 billion industry that comprises 11 million tonnes of annual exports – that's 25% of the total global fresh fruit supply.
By Catherine Milward-Bridges



Exporters in the southern hemisphere are members of SHAFTE (the Southern Hemisphere Association of Fresh Fruit Exporters), which makes up Argentina, Australia, Brazil, Chile, New Zealand, Peru, SA and Uruguay.

Given the contrasting global climates, SHAFTE member countries are mostly ideally placed to supply the northern hemisphere in between harvests.

Who is SHAFTE?

SHAFTE is a voluntary country membership-based organisation with an executive

committee comprising current and past presidents, the current vice president and the deputy secretary-general. The organisation also has a dedicated team that specialises in plant health, market access, sustainability, health and nutrition, data and project management, as well as food safety.

Relevance to the South African fruit industry

SA, with its largely Mediterranean climate – hot, dry summers and cool, wet winters, notwithstanding climate change – is in a particularly advantageous position when it comes to supplying world-class fruit throughout the year.

The South African fresh fruit industry exports more than 60% of its fruit to over 100 countries worldwide. This makes up a 21% representation of total exports from SHAFTE member countries.

Therefore, as part of its market access strategy, the partnership of SA's fruit industry with a global representative organisation like SHAFTE is vital. This helps SA to keep abreast of (amongst others) trade regulations, and global market intelligence matters like changing consumer behaviour regarding fruit consumption and purchase in key markets like the US, UK, China, Germany and Russia.

The Southern Hemisphere Fruit Trade Congress

Bearing the theme, "Keeping the world supplied", this début virtual event took place on 25 March, with compelling insights on market intelligence from southern hemisphere traders.

For the first time, exclusive market insights regarding crop trends and the production and trade outlook for the year ahead were shared from all eight southern hemisphere exporting nations.

Against a hampering backdrop of the COVID-19 pandemic, the southern hemisphere celebrated a heartening 2020 season of continued fruit supply, with a 5% value increase at US\$14.6 billion (9.8 million tonnes). And the phenomenal 90% growth of the Chinese market over the past five years to US\$2.5 has made it a key target for traders in the southern hemisphere. In fact, a memorandum of understanding (MoU) was signed with the China Chamber of Commerce of Foodstuffs, Native Produce and Animal By-Products (CCCFNA) during the congress.

Another first for SHAFTE was their Southern Hemisphere Outlook Survey, from which critically important results were shared during the congress. Among them:

- e-commerce and health trends are perceived as the main drivers for growth
- overall representation of SHAFTE fruit types (relevant to SA): stone and pome fruit 56%, citrus 54%, table grapes 34%, subtropical fruit 36% and blueberries 23%
- top three market access challenges: logistical (58%), COVID-19 related (47%) and domestic protectionism (41%)
- top domestic challenges: rising agricultural input costs (56%), government policy (41%), COVID-19 related (32%).

The South African fruit industry is certainly growing in leaps and bounds. Therefore, the industry hopes for our government to continue to proactively initiate negotiations with governments in targeted markets. 