

Vitor Grower Study Tour to Japan, Korea and Hong Kong

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AgriExchange Pty Ltd

Project Number: CT11700

CT11700

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VITOR GROWER STUDY TOUR TO KOREA, JAPAN & HONG KONG, SEPTEMBER 2011

Project number: CT11700

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Media Summary

As a major producer of southern hemisphere navel oranges, the Australian citrus industry has and will continue to face enormous challenges from lower cost producers such as Chile, Peru, Argentina and South Africa. These challenges have been exacerbated in recent times with the significant rise in the Australian dollar and the weakening of the US dollar and the fact that Chile has gained market access into the United States, a traditional market that has been extremely important for Australian citrus for the last 19 years.

In view of these challenges it is important to maximize our export opportunities, to increase consumption of our citrus products in Asia, and to identify new market opportunities. Asia has been an important market for Australian navel oranges and volumes of Australian navels have steadily increased into these markets over the last two seasons as a result of the challenges highlighted.

Japan is now currently Australia's most important export market for citrus, in both volume and gross dollars. Since the introduction of area freedom in the Riverland, exports to Japan have increased significantly making this a strategically important market. This season other production regions (Sunraysia, Riverina) have faced fruit fly issues which have given the Riverland pest free area a significant cost advantage.

Korea is a country that has a high consumption of citrus and is serviced extensively during the winter months by the United States. In 2011 a new market access protocol was developed for Australian citrus exports to the Korean market. Significant effort and expense is required to comply with the pest control protocols that have been enforced by the importing country. This market is relatively new for Australian citrus but will be very important in the future.

Hong Kong has and continues to be a very important market for Australian product and still remains critical for our business.

The objective of this citrus grower tour was to take leading growers/packers along with marketing staff to visit strategically important markets and to gain firsthand experience of how our products are performing compared to other suppliers both nationally and internationally. It has also given growers the opportunity to determine what issues need to be addressed at farm, packing and marketing level. Grower visits into these markets also send a clear message to our customers that we are committed to the market and are prepared to discuss and address any issues raised during such a visit.

Introduction

With the support of HAL VC project funding, AgriExchange arranged a citrus study trip to South Korea, Japan and Hong Kong, from 29 August to 8 September 2011. Three AgriExchange staff participated: export manager Nick Makris; horticulture manager Ben Dring; and packing house manager Glenn Laws. Renmark grower Mark Chown accompanied the group, and Citrus Australia market development manager Andrew Harty was invited to gain industry impressions of these 3 markets.

In Korea, our schedule was arranged by Ms Haesook Chung from Austrade; in Japan, by Mr Tim Tanaka from SA Food; and in Hong Kong, Mr Joey Tho from Vitor Marketing assisted. The schedules in each country consisted of visits to importers, warehouses, wholesale markets and retail outlets, including interviews with staff at each stage of the supply chain. In Hong Kong we also spent time at the Asia Fruit Logistica trade fair and congress.

In Seoul, Mark Chown and Andrew Harty also had the opportunity to discuss the recent Korea-Australia bilateral talks with Biosecurity Australia, the deputy ambassador and the trade commissioner.

Expected Outcomes

Growers will be better informed of how their product quality and prices compare to those of other Southern Hemisphere suppliers. Growers will also have a better understanding of customer issues and market trends to make us more competitive. This visit will enable growers to meet industry requirements by adding value and meeting supply chain and market requirements.

Growers will have a greater understanding of the need to continue to explore market access opportunities, and how to meet the necessary phytosanitary requirements.

The tour also demonstrated the importance of maintaining a presence in all markets in every season, and not picking and choosing the markets we send to each year.

Key Learnings

A debrief on lessons learnt from growers and customers was documented regularly while on tour. Concise notes were made daily on all sites visited and discussions held while on tour.

Some key learnings were:

- Asia is fast becoming an expanding market for Australian citrus, particularly Korea which is a new market which could grow rapidly.
- Australian growers can compete on quality but not price, and returns back to growers from this market is marginal at current exchange rates.
- Growers, packers and marketers must continue to work together to satisfy Asian customers and to continue in an already expanding market for Australian produce.
- The content of export documentation should be consistent i.e. the terminology and names used in one document should be exactly the same as on any other attachment that forms part of the paper work.
- Product traceability down to orchard level is essential as this is being demanded by the consumer.

Itinerary

Tuesday 30 August 2011

Depart Adelaide International Airport Hong Kong Flight CX104
Overnight Hong Kong

Wednesday 31 August 2011

Depart Hong Kong to Incheon International Airport (Korea) Flight CX 412
Meeting with Ms Haesook Chung – Australian Trade Commission
Meeting with E-Mart Supermarket
Meeting with AGRO Wholesale Market Co Ltd
Meeting with Seohyun Trading Co Ltd

Thursday 1 September 2011

Depart Korea to Narita Tokyo JL 5202
Meeting with IPM Nishimoto Co Ltd
Meeting with Kobe Yoke

Friday 2 September 2011

Visit to Retail stores
Meeting with Eon Supermarket

Saturday 3 September 2011

Visit Tokyo Ohta Wholesale Market
Meeting with Fuji Corporation
Meeting with Burnett Trading Co

Sunday 4 September 2011

Travel to Fukuoka
Meeting with Minami Kyushu Shizai Co Ltd

Monday 5 September 2011

Travel to Kobe
Meeting with IPM Nishimoto Co Ltd
Meeting with Union Ltd

Tuesday 6 September 2011

Meeting with Kobe Yoko
Visit Cool Stores Kamigumi Co Ltd Osaka
Depart Osaka for Hong Kong CX 507

Wednesday 7 September 2011

Visit APP and Hong Kong Wholesale Market
Attend Asia Fruit Logistica
Depart Hong Kong to Adelaide International Airport Flight CX 105

Thursday 8 September 2011

Arrive Adelaide

South Korea

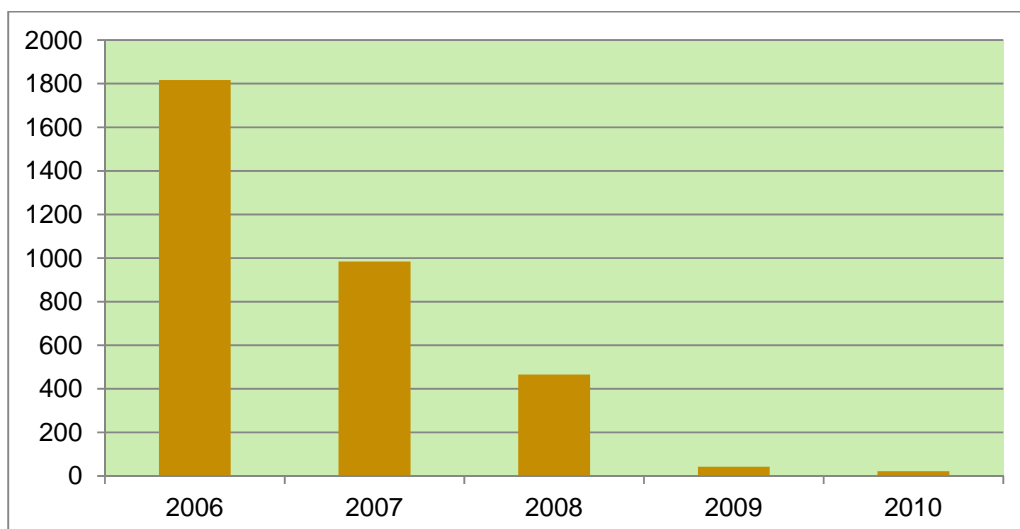
During our visit to Seoul we were able to inspect the Korean fresh produce value chain, and discuss prospects for Australian navel oranges with importers, wholesalers and retailers.

Overall, Korean traders are very keen to receive and sell Australian navel oranges. In fact, they had been excited by the prospect of Australian navel oranges arriving again in Korea this year, after being virtually absent for several years. But they are highly frustrated at the lack of supply – preseason indications were that up to 100 containers would be delivered, but eventually only 22 containers arrived.

Under these unreliable supply conditions it is very hard for importers and retailers to lock in sales programs, and they see this as the main challenge that Australian citrus exporters need to overcome.

Protocol issues

We explained to Korean importers that the chief problem restricting consistent supply is the difficult market access protocol. Australia has had market access for oranges into Korea since early 2000s but the difficult quarantine protocol has made it hard for growers and packers to meet the phytosanitary requirements. The two most problematic pests have been Fuller's rose weevil (FRW) and red scale, both of which have nil tolerance. Australian citrus exporters have thus steadily withdrawn from this market since 2006, as shown in the graph below:



Declining export volumes (metric tonnes) of Australian navel oranges into Korea

There have been serious efforts by industry to reverse this trend in recent years. Research by SARDI in 2009 and 2010 has shown that an orchard systems approach can be adopted for FRW control, and some growers/packers have adopted this approach with success in the past season. Red scale has remained a problem however, and has excluded many containers from the export program this season.

Although orchard systems approaches are the only means of achieving access at this time, the citrus industry is also investigating ethyl formate fumigation as an alternative option for controlling these surface pests. Initial trial work by WA Department of Agriculture showed promise under artificial infestation conditions, but successful treatment of naturally infested fruit has proved more difficult. Citrus Australia is now coordinating ongoing research to achieve registration of ethyl formate with the APVMA as a quarantine treatment. NPQS (the equivalent in Korea of AQIS) has already indicated they will accept use of ethyl formate on citrus once the product and methodology is approved by APVMA.

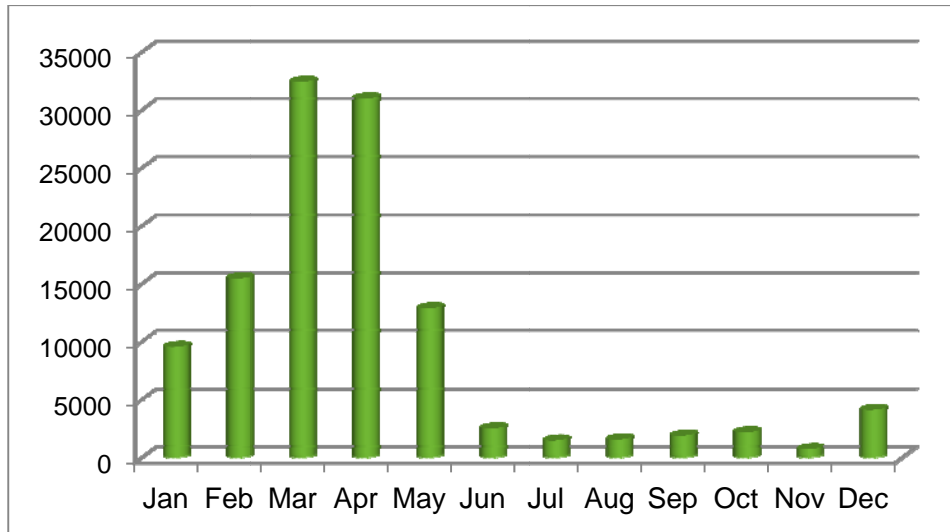
Fruit flies are of course also an issue to contend with in regions that are in out-break, but recent acceptance by NPQS of 2 & 3 °C in-transit cold treatment has eased the burden somewhat. Ethyl formate is not an option for controlling fruit fly larvae inside the fruit.

Australia-Korea FTA

A Free Trade Agreement between Korea and Australia is nearing completion (hopefully in early 2012) but agriculture remains a problematic item. Although we should certainly push for tariff reductions on citrus, it is unlikely we will be successful given that the USA and Chile have not yet managed to do so. All oranges entering Korea are subject to a 50 % tariff, regardless of origin. However, should Chile, South Africa or Peru (which has an FTA with Korea) succeed in reducing their tariff rate, this would place Australian oranges at a significant pricing disadvantage.

Prospects for Australian oranges in Korea

Despite these challenges, Korea remains a very attractive market for Australian oranges, particularly for navels. There is widespread consumer awareness and acceptance of imported navels due to the large USA program - Korea is the top export market for USA navels, with volumes steadily increasing over the past few years. The seasonal pattern of imports of navel oranges is shown below:



Seasonal delivery (metric tonnes) of navel oranges into Korea from the USA and southern hemisphere countries (average of 2006 – 2009 volumes)

The large volume of USA navels in the Korean winter and spring months dwarfs the volumes of southern hemisphere oranges from Chile and South Africa. This is primarily because of competition with domestically grown fruit, such as apples, stonefruit, melons and grapes during the Korean summer and autumn.

So what is the potential for increasing Australian orange volumes into Korea? Korea has a relatively wealthy, mostly urbanised population of 50 million people, of whom 18 million live in Seoul. One of the most dramatic impressions gained from our visit is the sophistication of the Korean market – there are well-established logistics services, an impressive wholesale market system, and world-class supermarket and department store chains. This is a very different situation to many other Asian markets where this level of cold chain and retail distribution has yet to be achieved. Consumers are accustomed to eating imported navel oranges due to the large USA winter program. Importers we spoke with gave estimates of a potential Australian navel program varying from 3,000 to 5,000 mt per annum, with a 25 container per week threshold during the August to November program. However, these estimates appear to be largely based on previous trade volumes rather than potential market dominance and greater promotion of Australian oranges.

If we could achieve similar market penetration to what we have done in Japan (which has a population of 128 million) it is not unrealistic to aim for an annual Australian orange trade into Korea of 10,000 metric tonnes.

Quality advantages

There is widespread acknowledgement amongst Korean importers that Australian navels have higher sweetness levels than Chilean navels - typically our fruit is 11-12 Brix compared to Chile's fruit at 9-10 Brix. Rind colour and keeping quality of our navels are also rated highly. South Africa mostly ships Valencia oranges to Korea, which are recognised as an inferior orange for fresh eating compared to navels. Our navels are more similar in quality and taste to USA navels than are competitors' oranges – an informal taste panel arranged this season by the Sunkist agency in Seoul rated Australian navels as superior to Chilean navels or South African navels and Valencias. As well as having rejections for red scale, South African Valencias have also had problems with low Brix and juice content this season.

Transit times

Australia has a much shorter transit time to Korea (18 days) than either Chile (35 days) or South Africa (25 days). This provides lower freight costs and fresher product on arrival. All importers we spoke to emphasised the need to have reliably good taste, and felt that shorter transit time would result in much fresher product. Another advantage of being closer to market is the ability for shippers and importers to react more quickly to market demand by either increasing or decreasing consignments – again, all importers saw this as a distinct advantage for Australia.

Sizing

Preferred navel sizes are counts 48 and 56, with some count 72 being acceptable. Count 88 fruit are not commonly accepted but can be used in bagging programs. These size preferences are similar to most other markets, and are reflected in stronger pricing for the larger sizes. Achieving this size profile can be challenging in most seasons, and particularly in years such as this where a large crop has resulted in small fruit. The need for ongoing crop regulation is critical for achieving consistent supply of preferred sizes and quality to all our export and domestic markets.

Pricing

All importers expressed their concern at the high prices demanded by Australian exporters of fresh product. While it is good to hear that our export traders are pushing the limits on pricing, we were given a strong and consistent message that price is a very serious obstacle to increasing sales in Korea. One importer supplied the following typical price comparison between Australian and Chilean navels:

Size (count/carton)	Chile (US\$)	Australia (US\$)
48	20.96	27.30
56	20.96	27.30
64	20.58	-
72	20.20	24.10
88	20.00	19.90

The overall message was that if we wanted to move volume we should not expect a premium of more than US\$4 per carton above Chilean product, at best. The possibility of buying Composite grade at a lower price than Class 1/Fancy grade is something that Korean importers would consider.

Food safety

Food safety is becoming an increasingly important issue in Korea (although not yet as strictly enforced as Japan). The Korean government has recently given notice that agrichemical residue standards will be overhauled, and importers believe we should best be proactive in this regard.

Coordinated marketing

Several importers requested that the Australian orange program should be restricted to a panel of importers, as was the case when we first gained access to Korea. When we explained that the single importer arrangement in the USA was under review – their view was that the USA market was too large for one importer, but argued that the Korean market was too small for multiple importers. We offered to refer this request to Citrus Australia’s export market committee for consideration.

NPQS inspection

At present, all Australian oranges are pre-cleared by an NPQS inspector based in Melbourne, with our industry bearing the cost of this activity. Obviously we would like to see a reduction in this inspection requirement and cost, as per the Japanese export program where an inspector is only required for the start of the season. Following bilateral talks in Seoul on 30 & 31 August, we were briefed by Biosecurity Australia staff at the Australian embassy. Overall, the talks were very cordial, with NPQS welcoming the return of Australian navels onto their market. NPQS stated they would like to see one more season of full pre-clearance in Australia before

considering relaxing this requirement, but were not averse to the concept. The message to us was clear: deliver clean fruit next season and the inspection regime will be relaxed.

Promotion

All importers felt that some form of coordinated Australian promotion would be very beneficial. Success stories cited were the USA navel program, where extensive in-store and on-line promotion has boosted sales, and the ASOEX promotion program. ASOEX (the Chilean united exporters association) supports the top 10 citrus importers by providing promotional material and subsidising the cost of their in-store promotions. They also organise trade seminars for importers, wholesalers and retailers to educate them on the production systems, quality attributes and handling methods for their citrus products.

Alternative products

Importers expressed interest in Cara Cara navels and Sumo (Dekopon) as new products which would appeal to the Korean consumer. There has been some exposure to Cara Cara in the USA program, but greater demand was anticipated if the unique qualities of this orange were better promoted. Dekopon has been grown in Korea for some time, under the variety name Hallabong. Importers had heard that production was starting in Australia and were very keen to source product.

Mandarin access into Korea

Access for mandarins is unlikely in the foreseeable future. Korea has a substantial mandarin industry, producing 650,000 metric tonnes annually (which is more than Australia's entire annual citrus production!) The main Korean citrus crop is satsuma mandarins, with most growing on the southern island of Cheju, although some mainland production is now also occurring. Although most of the Korean mandarin production is counter-seasonal with Australia's, there is also substantial production of greenhouse satsumas, which mature during our season. There is a very powerful agricultural lobby in Korea, and this is reflected in the 152% tariff on mandarin imports.



Other fruit competing with Australian navel oranges on the Korean market (clockwise from top left):

Chilean navels; South African Valencias; Domestic grapes, melons, apples and other deciduous fruit; Domestic greenhouse satsuma mandarins; USA Valencias



Recommendations – Korean market

- Top priority for our industry is to overcome the Korean quarantine protocol issues – until we perfect and adopt orchard or postharvest systems to control key pests of concern we will not have reliable or significant trade of oranges into Korea.
- Specifically and immediately, we need to organise information days for growers and packers to inform them of practices that need to be carried out for Korea in this coming season – this should occur in November 2011 at latest, to allow growers to begin orchard spray treatments for FRW and red scale.
- Research to achieve commercial use of ethyl formate for quarantine treatment must be completed as soon as possible and extended to export packers immediately it becomes available.
- Practices which enhance keeping quality of oranges must be applied to fruit destined for Korea, especially GA sprays for rind conditioning and prompt postharvest fungicide application for rot control.
- To maintain and enhance our reputation for superior tasting navels, we need to ensure that immature fruit is not harvested. Orchard practices which allow fruit to be hung to achieve maximum taste quality, such as GA sprays, should be mandatory for this market.
- As for most of our markets, large fruit size is preferred and rewarded, so crop regulation to maximise counts 48, 56 and 72 is essential.
- A food safety program with government-to-government recognition would provide a significant competitive advantage over southern hemisphere competitors.
- United, national promotion of Australian navels in Korea should be seriously considered by our industry, and if approved, funds should be allocated to support a program in the 2012 season.

Japan

Australia has been trading citrus into Japan for many decades, and for citrus this market can be ranked as mature compared to many other Asian markets.

However, the past 2 seasons (2010 and 2011) have seen significantly increased volumes of Australian citrus, mainly navel oranges, diverted to Japan in preference to the USA market. There are several reasons for this: trading conditions are more favourable (better exchange rate, fixed price versus consignment); shorter transit time; less competition from other southern hemisphere producers; market acceptance of composite grade fruit; and well-established relationships directly with customers. Overall, and despite lower prices than in previous seasons, the Japanese market has provided better returns in 2011 than any other domestic or export market.

Japan is now firmly positioned as Australia's main export market for navels, with potentially 1.2-1.3 million cartons arriving this season. It is thus vital that the Australian industry develops and improves aspects of this trade to ensure it remains viable and competitive – these include fruit quality, phytosanitary issues, food safety, logistics and promotional activities.

Fruit quality

There is general acknowledgement amongst Japanese importers that Australian oranges have better eating quality than either Chilean navels or South African seedless Valencias, which are the two main competing citrus products.

The rind colour of Australian navels is also typically a deeper orange than that of other southern hemisphere oranges. The keeping quality of citrus is also critical, with fruit often required to maintain good firmness, shape, rind quality, freedom from rots, and fresh flavour for up to 12 weeks from date of packing. During our visit to warehouses at Sakai (Osaka) it was very pleasing to see navels, from a range of Australian suppliers, up to 10 weeks old but still in very sound condition. The importance of orchard practices (such as GA application) and postharvest treatment cannot be over-emphasised when preparing fruit for this duration of storage and subsequent shelf-life.



Navel oranges in an Osaka warehouse, still in excellent condition 10 weeks after packing

Quarantine issues

The key phytosanitary issues for Japan are mealy bugs and other fruit fly species. While some suppliers have had a clean record of detections this season, others have been plagued by quarantine problems, especially with mealy bugs. Use of orchard sprays and postharvest oil to control mealy bugs need to be improved in many operations.

Logistical challenges arising from greater export volumes into Japan include pre-shipment container inspection, cold treatment data handling and allocation of AQIS and overseas support personnel to maintain smooth movement of product. We need to inform and engage with government agencies to ensure they are aware of and can prepare for handling future volumes of citrus to Japan.

Food safety

Japan is highly sensitive to food safety risk, and maintains one of the strictest agrichemical testing programs in the world. Importers were pleased to hear of the Australian Citrus Residue Monitoring Program, and look forward to it being acknowledged by the Japanese government. Citrus Australia will encourage more exporters to join the program over and above the 6 companies which signed up this season.

Promotion

Promotion of Australian citrus in Japan (and in fact in all Asian markets) is minimal and fragmented; there is a case for stronger, national generic promotion programs which will create greater consumer awareness and demand for Australian citrus products. An obvious strategy is to differentiate Australian navels from South African Valencias, especially in the Tokyo region where consumers do not discern between orange types, unlike the Kansai region where navels are more popular. This is a topic for Citrus Australia's export market committee to consider.

Alternative products

Cara Cara navels are shipped to Japan from South Africa and the USA in relatively small quantities. Importers expressed some interest, but again stressed that this variety will need extensive promotion before consumers are aware of its attributes. We observed cut fruit and carton brochures being used at the Ohta wholesale market by one South African supplier.



South African Cara Cara navels at the Ohta wholesale market, Tokyo, with fruit cut to show internal pulp colour, and a promotional brochure in every carton.

Importers also expressed interest in Sumo/Dekopon, which is a very well-known and popular fruit in Japan due to extensive domestic production. Satsuma mandarins (or mikan) also have potential provided they can be delivered at a suitable Brix and acid level, and during the period March to May. Postharvest fungicides are not permitted on satsumas in Japan, which poses shipping challenges. There is also a niche market for 'non-chem' oranges and lemons – this is product which has not been treated with postharvest fungicides such as TBZ, OPP and imazalil. All imported citrus which has been treated with these fungicides is required to be labelled as such at retail outlets, so non-treated fruit has a distinct point of difference.



Australian navels in a Kobe retail outlet – note the excellent colour, the price (close to AU\$1 per fruit) and the label indicating that TBZ fungicide has been applied

Sizing

As in most fresh citrus markets, larger fruit attracts a premium in Japan. Counts 56 and 72 are preferred, with some count 88 also accepted. Although oranges are presented loose in retail outlets, much of the volume is prepacked into various pack sizes. This operation is mostly carried out in Japanese warehouses, but some Australian exporters are evaluating prepacking prior to shipping. While there are financial advantages to the latter approach, it carries the risk of postharvest rots on arrival which are then logistically difficult to deal with in Japan.



Australian navels being bagged at an Osaka warehouse



Prepacked Australian navels at Ohta market

Pricing

Some growers have expressed disappointment in prices achieved in Japan this season. This was partly due to expectations built up from returns achieved during the short-supply season in 2010. However, market conditions in June 2011 were significantly different: there were strong supplies of USA late navels, and the exchange rate had altered dramatically for the worse. This not only directly affected returns for our fruit, but also allowed USA suppliers to pitch their product at lower prices to achieve greater volume movement. Against this back drop, it was unrealistic for Australian navels to achieve similar returns to last season.

Japanese importers still believe that typical prices asked for Australian navels are too high, and that significant increases in consumption will only be achieved if our pricing is closer to that of our competitors. This dilemma faces our industry in all our export markets while the exchange rate remains so unfavourable.

Recommendations – Japan market

- With Japan now taking pole position amongst our navel export markets, we need to lock in several competitive advantages including taste, rind colour, storage life and food safety.
- With our early season navel arrivals following closely or even overlapping late navels from the USA, it is critical that immature fruit is not shipped.
- Key quarantine pests (especially mealy bugs) need to be tightly controlled and eliminated from Japan consignments.
- Industry and government agencies need to engage on ways to improve inspection and certification procedures to ensure efficient and prompt processing of consignments before shipping and on arrival in Japan.
- Food safety is taken very seriously in Japan, with stringent residue testing undertaken on all imports; exporters should support the NRS residue testing program to avoid agrichemical problems.
- Alternative citrus products such as satsumas, non-chem oranges, Sumo/Dekopon and pigmented varieties should be tested on the Japanese market.
- Promotion of Australian citrus in Japan should be seriously considered, with the aims of differentiating our fruit from competitors and boosting consumption.

Hong Kong

This was a relatively brief part of the tour, with the main two items being a visit to the traditional wholesale market, and participation in the Asia Fruit trade show and congress.

Wholesale Market

Facilities are old with very few cool store facilities. Fruit is left in the containers off-site and only enough product is removed for a day's supply to try to prolong the shelf life of the fruit. Once fruit is removed it is critical to move fruit quickly to customers because with the high humidity the fruit sweats considerably.



Examining Australian navel oranges in the relatively primitive Hong Kong wholesale market

Asia Fruit Logistica 2011

Asia Fruit Logistica is Asia's leading trade show for the international fresh fruit and vegetable business, attracting more than 4000 people from numerous countries around the world. The trade show takes place together with the Asia Fruit Congress and combines the experience of Fruit Logistica, the world's leading fresh produce exhibition, with Asia's top international conference event. The congress and trade show are the only trade events in Asia focused on the fresh fruit and vegetable business, and cover the whole value chain.



Some of the Australian citrus exporters exhibiting at the Asia Fruit Logistica in Hong Kong

Overall Recommendations

- Citrus Australia and Australian citrus exporters should work to educate growers on the potential of the Korean market, the current quarantine barriers and to ensure orchard practices address the quarantine issues that pose challenges to entering the Korean market.
- Citrus Australia continue to work with the Australian Government, Korean Government and Australian Embassy in Korea to negotiate on market access issues and a free trade agreement that will allow Australian producers to compete with countries that have free trade agreements with Korea.
- Now that Japan is Australia's largest export market for citrus, Citrus Australia should work with Australian exporters to determine what is required to promote citrus in Japan to ensure wholesale buyers and consumers are aware of the quality attributes of Australian citrus and to promote Australian citrus in general.
- Japan has an ageing population so it is important that we monitor the trends in this market closely. Currently the birth rate is 1.4 children per family.
- Citrus Australia determine the quality attributes that will drive consumption of Australian navels in the Japanese market, and consider recommending a minimum maturity standard for navel oranges into the Japanese market based on market research.
- Citrus Australia to review more closely our competitors' performance, particularly Chile as they are competing more aggressively than they ever have.
- Australian marketers/exporters should continue with grower and staff visits to various domestic and export markets to demonstrate our commitment to these markets and to improving our product quality.
- We must work more closely with both state and federal governments and grower bodies so we can improve our market access opportunities in a range of export markets. The hard work over the last 5 -10 years is now starting to come to fruition for the Korean market.
- Citrus Australia to continue to emphasise the impact that alternate bearing and large variation in size has not only on their returns but importers become frustrated and provides gives them an opportunity to look at our competitors' product.
- South Australian must maintain fruit fly free status as it is a significant advantage for export markets which require cold treatment as the risk of chilling injury is high should cold disinfestations be required.

- Exporters should ensure paper work is correct as previously reported. Most Asian people cannot read English and documentation must be simple and consistent.
- Food safety and traceability is becoming an issue and growers will need to supply accurate records in future. Electronic record systems need to be considered to satisfy Exporters and Importers as information needs to be supplied quickly and without delay.
- Exporters, packers and growers must continually work together with importers to ensure full understanding of what is required from the customer to maximise returns.

Dissemination process

- The outcome of the visit will be reported back to the various industry bodies in the different states via this study tour report to HAL.
- A CD of the report will be made available and grower presentations given as and when requested by different grower groups in consultation with the different industry development officers.
- Articles on the features of each market will be prepared for Australian Citrus News.
- Citrus Australia will include discussions on these markets in regional market access workshops, and at the next national Export Forum (7 – 8 March 2012).

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