

The international marketing magazine for fresh produce buyers in Europe



By Fred Meintjes

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## Grapes are stable... for now

In South Africa, SATI sticks to its initial export estimate despite difficult trading conditions.



**S**outh Africa's table grape forecast remains unchanged despite the export programme running somewhat behind schedule due to a late start to harvesting. The South African Table Grape Industry (SATI) says it has kept its first export estimate unchanged and the total crop is estimated to be between 63.2m and 70.1 m cartons.

This does not tell the full story of what is turning out to be a very difficult season as far as market conditions are concerned. The South Africans have an excellent harvest in most regions and the quality of the grapes is reported to be exceptional due to very favourable harvesting conditions. However, in the most important marketing region for South African grapes, namely the UK and Europe, conditions are tough. The Trump trade war with China has destabilised normal business conditions because of its effect on Californian exports.

"It is one of those seasons where conditions outside our control will affect the outcome for our growers," says Willem Bestbier, CEO of SATI. He outlines that due to the trade wars the

Chinese market has basically been closed for Californian growers and this has disrupted early season exports from Peru and Chile to the US. "We know that Peruvian shipments to China have increased dramatically and a lot more of their grapes, as well as from other South American countries, are ending up in the UK and Europe. It is something we can do nothing about – it is clear that political actions are disrupting normal trade."

Seasoned importer Jonathan Olins of Poupart Imports, confirmed that the grape market in the UK and Europe is very tight. "There is simply too much grapes around," he says.

South Africa has not been helped by the fact that the export season in the Orange River started two weeks late. This affected volumes in the pre-Christmas market in Europe. "It has undoubtedly also affected shipments for Chinese New Year as exporters had to prioritise due to the late season."

Bestbier says in most areas there has been a recovery from the recent drought and growers were looking forward to

good quality being landed in a responsive market. "Much of the South African table grapes are programmed with special customers because of relationships which have developed over many years. This is not the year for speculation and all exporting countries should understand that."

The latest news from the US is that the government has intervened to buy up a significant part of the unsold Californian grapes for alternative use on the fresh market. "We hope that this will stabilise the situation soon and that the rest of our season will see some normality."

South African exporters will also have noted that the Indian season in Europe and the UK started earlier this year. Bestbier says there is a steady trend of India entering the European and UK markets earlier and this is affecting the traditional South African sales window.

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

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