

BRAZIL

The Brazilian litchi shift

Brazilian consulting and processing company Agropar has historically been involved with mango and grape projects, but its main focus at the moment is the country's growing litchi industry. Despite competition with low-cost processed Chinese litchis at home and South African fresh exports in Europe, the company has penned a deal with four Brazilian producers to find commercial opportunities domestically and abroad. Agropar owner André Briso estimates Brazil's current litchi production at 5 000 metric tons (MT) each year, with his clients accounting for 10%. However, with young trees building up to full production, he expects the national annual figure to double to 10 000 MT over the next two years. He says client deals for processed lychees will be sealed up by July next year and the 3 000 m² plant built before the season starts in November. Only 10% of Brazil's litchi production goes to processing at the moment, but in two years' time Briso thinks this could jump to 40%, with Agropar processing 1 000 MT of litchi pulp annually.

"When we have our fresh litchis, the Asian production is finished and we compete with South Africa and Madagascar, although the Madagascan fruit quality is not very good. Competition is mainly with South Africa. The variety we have in Brazil though, the Bengal, is very different to what they produce in South Africa and Madagascar; our variety not as big as theirs, but the brix is higher at a level between 22 and 23. That will be our advantage in the European market, despite the smaller size fruit."

He hopes to sign export deals to France, the Netherlands and the U.K., with the fresh export share of Brazil's litchi production to rise from 5% now to 30% in two years. This equates to a 50-50 split between local and overseas markets for the fresh fruit. "The local market in Brazil for fresh fruit is growing. In fact, there are many more companies now that import more than they export, whether its apples from Chile and Argentina, or plums from Spain." **ST**

(Source: <http://www.freshfruitportal.com/2012/05/15/the-brazilian-litchi-shift/>; shortened)



occur with irritating monotony. The latest example is the government's advanced plans to allow Madagascar to export litchis into the RSA. We are taking active steps to counter this plan, but expect the worst. It is inconceivable that our own Department of Agriculture, Forestry and Fisheries (DAFF) is conniving against us, and has not had the decency to consult the industry. It is reported that DAFF has been processing this plan for some considerable time. Besides the commercial implications of such actions, we are very fearful of the possible introduction of several devastating diseases already in China, the Far East and Australia.

ON THE BRIGHTER SIDE

We have made some progress with DAFF in respect of the future import of litchi cultivars, following our R125 000 failure from Australia last year. Sakkie Froneman has applied for further permits to import more new cultivars, and all is progressing well at this stage. We will reimport from Australia to replace the failed first effort. Recovery of our R125 000 from DAFF is on-going, and a complaint has been registered with the Public Protector to assist in this matter. There is a stark contrast between DAFF's actions and the co-operation, and efforts to save the situation received from the Australian authorities. They are still dumb struck by our authority's actions or lack thereof. Try and reconcile this disaster with the issue in respect of Madagascar.

I had occasion to privately visit

Australia recently, and took the opportunity to meet many of the main litchi players. Their hospitality and readiness to share knowledge was humbling. I was able to further cement relationships, following the visit by Sakkie Froneman last year. I am pleased to report that their past chairman, who I met in China, has accepted an invitation to visit us during August. We will arrange a few sessions with him to exchange ideas and knowledge.

Following last year's crop, some serious tree pruning has taken place on many farms. We wait to see what results from the many different approaches. This illustrates a further example of the dynamic nature of our industry at the moment. The core of larger players is intent on improving their farming practices.

It is likely that the first real commercial results from newer cultivars will be tested this year. Sakkie Froneman's program of widening our cultivar base will give this effort some serious momentum for the future.

Flowering is well on the way, and is early this year. The quality of flower also looks good compared to previous years, i.e. less leafy panicles. We have a long way to go, but so far so good.

The melt down of the Rand, largely courtesy of our government, should assist us this year, but does not bode well for our future.

I wish you well for the coming season.

Gavin Hardy