

FROM THE DESK OF THE CEO (12/24)

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Justin Chadwick 22 March 2024



“The world is the body and India is its life” Khalid Masood

INDIA

Many people say you can judge a country by its traffic. Well in New Delhi, India, the traffic is chaotic, but it works. From vehicles on the wrong side of the road to turning whenever and wherever, the fluid movement of the mass of vehicles is both amazing and terrifying. Cell phones seem to be an added appendage for every driver as they shout into the device while narrowly missing bicycles, motor bikes, scooters and tuk-tuks. But it all works – no aggression, but slow movement in the right direction – and if it’s the wrong direction there is a reason for it. Somehow it all makes sense. No entry signs and traffic lights are ignored – and yet we did not see one accident. And nowhere is more chaotic than the municipal market area. Here the noises and number of vehicles are ratcheted up as those who depend on the market descend to get their daily supplies before heading out to make a living. Huge delivery trucks jostle with small delivery trucks, motor bikes towing makeshift trailers weave in and out, bicycles seemingly impossibly laden with fruit and vegetables groan under the weight as the vendor battles to remain upright and going forward, and individuals effortlessly glide through the masses with bowls balanced on their heads or piles of boxes on their shoulders. It is a kaleidoscope of colours and noise, all hustling to make a living from fresh produce.

It is here that you will learn what consumers really think of your product. These traders either sell to the final customer or to hawkers who sell to the final customer. If the customer is not happy, the fresh produce is returned and replaced. As a result these traders know what is the best variety of the different fruit types and which country of origin is consistent in supplying good quality and good shelf life.

This past week the Fruit South Africa delegation visited many traders in the market and were delighted to hear all of them singing the praises of South African fruit. In particular these traders complimented South African producers on the quality in terms of colour, brix, taste, size and shelf life – and most importantly the South African pricing is extremely competitive. They commented that there is significant opportunity to grow in all categories of South African fruit. They gave important pointers on what varieties are preferred.

The traders also gave a warning about South Africa's competitive position. Import duties on South African fruit remain high while competitors are negotiating free or preferential trade agreements. Should South Africa not address these high import duties while others are reducing theirs, South Africa’s position would become less competitive. The other factor restricting expansion is the requirement that cold treatment cannot be done in-transit. This is being addressed through trial shipments. If the trial shipments are successful, then in-transit cold treatment would be allowed. The CGA is working hard to prove safety and effectiveness through the trial shipments.

Congratulations to HORTGRO on their market development campaign in India. Whereas a few years ago South Africa was not visible in the market, there are now South African pome and stone fruit promotional material on display throughout.

I am also attending Fresh Produce India in Mumbai. Later newsletters will report more fully on this congress. The opening session highlighted five key trends in India. It was extremely informative. 1, Consumer market evolution – as the most populous country in the world, with a rising middle class, urbanisation and average age of 29, understanding the consumer is essential. 2, Digitalisation – with some of the cheapest data rates in the world, mobile phones a vital item and an app for everything, this space defines the future. 3, Retail changes – e-commerce, instant home delivery; there is space for everybody from the hawker to modern retail. 4, Production hubs for new fruit crops – India is now producing fruit crops that were not around a few years back. 5, Transport infrastructure upgrades – lowering cost and increasing delivery efficiency.

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