FROM THE DESK OF THE CEO (27/22)

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"The intelligent man finds almost everything ridiculous, the sensible man hardly anything." Johann W von Goethe EU GREEN DEAL: DEAL OR NO DEAL?

The FCM Management System (FMS) adopted by South Africa, Eswatini and Zimbabwe some four years ago (when FCM was declared a regulated pest) has been applauded by leading scientists around the world. One of the reasons why the FMS gets this recognition is that the system categorises product into different risk categories, and then mitigates the risk appropriately. As is the case in any new system – the FMS is revised each year in line with any perceived weaknesses or opportunities; in the case of the FMS it has been extremely effective (with decreasing interceptions year on year). In November 2021, after reviewing the few reported interceptions, the FMS was further strengthened through changes to preharvest monitoring to improve phytosanitary categorisation of the fruit, and changes to certain post-harvest cold handling requirements to appropriately align with the phytosanitary category of each consignment of fruit. This is all based on scientific efficacy data.

It seems that EU's DG SANTE does not grasp the concept of a systems approach – with no regard for the effectiveness of the FMS by then tampering with one element of the system. You now have a blanket shipping time-temperature requirement, regardless of the measured phytosanitary status of the fruit.

At the same time, the EU is rolling out the EU Green Deal. Amongst the EU Green Deal's ambitious goals are to increase organic production, decrease energy consumption, decrease waste and decrease use of plant protection products. Although this is a domestic policy, it is likely that imported products will also need to comply with these goals. Growers in South Africa, Eswatini and Zimbabwe support the goals of the EU Green Deal. Then along comes DG SANTE, and in clear policy disjuncture imposes new measures that will result in exactly the opposite.

The infant organic orange sector in southern Africa will find it very difficult, if not impossible to comply. In the past three years there have been zero (nil, nothing, nada) interceptions for FCM in organic consignments – the FMS would have catered for organics as a low risk product; the illogical, technically flawed, disproportionate, unnecessary EU measure (see newsletter 25) now requires a blanket approach that will go against the objectives of the Green Deal.

The FMS has different shipping temperature regimes dependent on phytosanitary status of the fruit. The new EU measure now requires a blanket approach with pre-cooling, which will significantly increase the energy usage of all consignments. In addition, the clairvoyant/social media approach (see newsletter 26) to notify southern African plant health authorities of implementation (and the impossible dates set) means that there is a risk that hundreds of containers could be held up at EU borders as the authorities try to make sense of a senseless rule. Indeed, this is why measures are not introduced in the middle of a season (unless an emergency exists) – it is to try and reduce the likelihood of confusion and mayhem. Such was the urgency to protect domestic production interests that these principles were abandoned.

Southern African growers have adopted biological controls as part of the systems approach (sterile insect technology and virus treatments to name two). The use of these biological solutions assists in getting the product into the lower risk brackets, meaning less use of plant protection products and more energy efficient cold handling requirements. The use of these biological solutions does come at a higher cost. By subjecting all oranges to the same shipping temperature the benefit of using these more costly biological solutions is undermined - once again in direct conflict with the goals of the Green Deal. Deal or no deal? If the EU continues to impose technically flawed, unnecessary, disproportionate and uncoordinated requirements that are clearly protectionist then southern African growers will be forced to say – "no deal".

PACKED AND SHIPPED

End of Week 26 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	2020	2021	2022	2021	2022	2022	2022	2021
Grapefruit PP (17kg)		2.3 m	2.4 m	1.7 m	1.8 m			
Grapefruit Class1&2 (17kg)		10.6 m	9.9 m	10.0 m	8.4 m			
Grapefruit	13.3 m	14.6 m	14.0 m	13.2 m	11.6 m	16.8 m	15.7 m	17.5 m
Mandarins	12.2 m	15.2 m	14.3 m	11.5 m	12.2 m	34.5 m	34.1 m	30.9 m
Lemons	20.0 m	20.5 m	22.0 m	17.1 m	20.2 m	32.3 m	32.2 m	31.0 m
Navels	15.5 m	16.3 m	14.5 m	11.3 m	11.6 m	28.7 m	27.2 m	27.2 m
Valencia	5.8 m	6.7 m	4.7 m	2.9 m	2.4 m	58.2 m	57.6 m	55.0 m
Total	66.8 m	73.3 m	69.5 m	56.0 m	58.0 m	170.5 m	166.8 m	161.6 m