

FROM THE DESK OF THE CEO (49/24)

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"The future depends on what you do today" Mahatma Gandhi



QUICK COMMERCE

Ever heard of Quick Commerce? Did you think Sixty60 was quick? In India quick commerce is taking off, and platforms such as Blinkit, Swiggy and Zepto promise to get your desired product to you within 10 minutes! As a result, many Indian consumers no longer worry about planning their grocery buying – when deciding what to cook in the evening, there is no problem if an ingredient is missing, no reason to go to the nearest convenience store, just log into the app and ten minutes later the product is in your kitchen. This mode of buying is taking off. Massive volumes of groceries are traded daily on these platforms. It is made possible by the high density of those living within cities like New Delhi (population 40 million) and the presence of "dark stores" in residential areas that stock a wide range of groceries.

This is a fantastic way to introduce and expand demand for imported products. The platform can advertise and educate consumers on the unique qualities of the product, with the ability to please the curious or adventurous buyer in a few minutes. The platform can expand on the health benefits or eating experience to encourage consumption.

India is at the cutting edge of the digital revolution. It is impressive – from the quickest way to pay for something with your smart phone to buying what you need from the comfort of your home. Move over e-commerce, here comes quick commerce.

This past week's India South Africa Business Conclaves in both New Delhi and Mumbai reinforced the strong relations between the two countries and built on the green shoots of trade. It was a privilege to be a part of it. Since 2020, both apple and citrus exports to India have tripled. 90% Of imported pears come from South Africa. A visit to Delhi is not complete without a trip to the municipal market. The sheer quantity of fresh produce that is moved through the market on a daily basis is astounding – with a population of 40 million, a large proportion of whom are vegetarian, it is no wonder that the market is a hustling, noisy and vibrant place. Many importers now carry promotion material funded by HORTGRO under the "Beautiful Fruit, Beautiful Country" banner. Featuring the fantastic tourist destinations in South Africa, this campaign is closely related to the tourism promotion of South Africa. It was fitting then to discuss the South African fruit aspirations with Tourism Minister Patricia De Lille at the Conclave. The Minister announced two important things that will assist in enhancing trade with India: the improvement in granting visas to Indian nationals and talks to resume direct flights between India and South Africa.

Exports of citrus to India have increased from 10 000 tons in 2020 to almost 30 000 tons in 2024. Whereas the market was traditionally mostly oranges, mandarins now contribute almost a third to the citrus exports from South Africa. There is also potential to grow lemon and grapefruit volumes.

What is standing in the way of real progress are the Indian import duties and shipping requirements. Import duties for citrus products into India are at 30%. There are discussions on how this can be addressed in a way that benefits both countries.

At the moment India does not permit in-transit cold treatment of fruit, meaning that the fruit is either fumigated or treated on land, both impacting on costs and time. Recently, successful pilot in-transit cold treatment shipments were received by India which could lead to a revision of the requirements. All in the trade hope that this revision will be in place by 2025.

It was great to see the promotion material and branding on shop fronts for Sweet C – this awareness and promotion campaign is driving demand for mandarins from South Africa, and the market is looking to source more.

GLOBALG.A.P

The GLOBALG.A.P. Environmental Sustainability Solution (ESS) is open for a third and final public consultation until **20 December 2024**. To comment on the ESS, please follow this link: <https://pc.globalgap.org/>