

Argentina anticipates inaugural exports to China in 2018-19

The Argentine cherry industry is hoping carry out its first-ever exports to mainland China this season, with market access expected to be granted over the coming weeks. Harvesting of early varieties is set to begin this week, with industry representatives forecasting approximately 14,000 metric tons (MT) of production and 5,000MT of exports.

Last year the country produced around 13,500MT and exported 5,000MT. Typically around 30% goes to the domestic market, less than 50% is exported, and the rest is used for processing.

Aníbal Caminiti, executive manager of the Argentine Chamber of Integrated Cherry Producers (Capci), told Fresh Fruit Portal that in general the run-up to the start of the season has been going well, but over recent days there was some rainfall in Mendoza which could affect quality and volumes.

Argentina has a relatively small cherry industry, with close to 3,000 hectares planted. The main production regions are Mendoza, Alto Valle de Río Negro and Neuquén. Currently, the main markets are North America, Europe, and the U.K, although efforts are underway to expand in Asian.

For the last couple of years, the industry has been workings towards opening the Chinese market. Caminiti said the inspectors arrived on Nov. 5 and are due to stay until Nov. 14th.

Economic Federation of Mendoza president Alberto Carleti said that industry has been shipping to Hong Kong, but he believes that having a protocol for direct access to China will provide a major boost to the industry.

Carleti said industry is also negotiating access to Korea and Japan but considers China to be the most important potential market in Asia.

Argentina has had some difficulty positioning its fruit in international markets as the country competes with Chile, the Southern Hemisphere top exporter by far.

“We share the counter-station windows with Chile, basically starting from the beginning of the season. Then in January, Australia and New Zealand begin to appear, but fundamentally the large Chilean supplies have a big influence on prices,” explained Caminiti.



“We still have significant costs compared to the rest of the competitors. And there are markets in which the prices drop significantly when there are large volumes.”

China – a beacon of hope for Argentina?

Argentina sees cherries as a big export opportunity for the future.

“Regarding the development of export markets, the truth is that it is one of the fruits with the greatest comparative advantages,” said Caminiti.

He said that production of export-oriented fruit in the two biggest growing regions of Río Negro and Neuquén has been rising at around 20-25% annually over recent years thanks to new orchards and varietal reconversion.

Despite that increase, Argentine cherry growers are being cautious about investing due to the country’s ongoing recession, but they are hopeful that the opening of the Chinese market will provide a confidence boost.

“We have a know-how developed, and the market is there,” he said, but added that encouraging producers to invest money is difficult if the economy isn’t stable.

“I think the coming years are going to be of a moderated growth, with caution, until we see other more predictable perspectives in our country,” said Caminiti.

It is for this reason that opening the Chinese market is so crucial for Argentine growers.

“I believe that this can be an important step in the development of the industry, the opening of the Asian markets, we are working to open Korea and Japan. But above all, China will allow us to give oxygen to fuel the development of the industry,” he said.

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