

### AUSTRALIA

#### Australian Anti-dumping investigation of Thai imports

An Anti-dumping review by the Australian government is investigating certain Thai imports. The Australian Customs and Border Protection Service is investigating alleged dumping of pineapple for both the retail consumer sector and the food service sector.



The Anti-dumping laws in Australia aim to prevent countries exporting any product to Australia at below "normal price." Interested parties have until 7<sup>th</sup> March 2013 to lodge written submissions concerning the current variable factors (normal value and export price) of pineapple prepared or preserved and imported from Thailand.

The Anti-dumping reviews were sought by an Australian-based pineapple exporting company on the basis that the 'normal price' level for Thai pineapples appeared to have been set during a period of flooding in Thailand, and normal prices therefore may have been distorted.

A final report and recommendation to the Australian government will be made on or before 23 May 2013.

### CHINA

#### Yum brands report lower sales in China

KFC parent Yum Brands Inc. reported a sales decline in its top market of China in the fourth quarter. Sales fell by 6% in the quarter, compared to its earlier forecast of a 4% decline. Chinese food safety authorities said in late December that KFC was supplied with chicken that contained

excess amounts of antibiotics, and the company said at the time that it had seen some impact on sales. The media coverage associated with the government's review had a "significant impact" on KFC sales in China in the last two weeks of December 2012.

Yum has more than 5,100 restaurants in China, which contribute more than half of its overall revenue and operating profits. In addition to the negative headlines around its chicken supply, KFC is also facing tougher competition from other chains. The company, which also owns the Taco Bell and Pizza Hut fast-food chains, repeated a full-year earnings forecast that was below Wall Street's expectations. Chief Executive David Novak told the investors at a meeting that he was "very confident" that the company would turn in "very solid" sales growth next year at established restaurants in China.

He further added that he expects 2012 earnings per share, excluding special items, of \$3.24. Analysts polled by Thomson Reuters I/B/E/S on average expected earnings of \$3.26 per share. Shares of Yum fell 5.4 percent in after-hours trading to \$64.25. Yum said it would report quarterly results on February 4 2013.

Yum continues to cooperate with the SFDA's review of two poultry suppliers who provided chicken with unapproved levels of antibiotics to KFC. The company said those suppliers represented a small percentage of the fried chicken chain's product.

According to media reports, Yum stopped buying chicken from one of those suppliers in August. The company did not say whether it was still sourcing from either firm.



#### Chinese importers prefer pecan nuts from United States

The Chinese are importing record quantities of US grown pecan nuts, and last year US exports increased by 64%.

The rise of the pecan in China started in 2007 when walnuts, which were very popular in the country at the time, experienced a dramatic price rise. The Chinese found the US pecan as another nut substitute. The US supplies 80% of world demand for pecan nuts and last year over 20% of U.S. production went to China, with a cash value of over \$140 million.



The Chinese market has given US growers a new market outlet - previously the bulk of their supply had been sold to domestic processors. The Chinese want them in the shell, a premium product that attracts a premium price. However, this new found market has raised the price also for the US and European consumer who have to compete for market share now. Already some US food companies have cut back on their purchase of pecans and began to seek out substitutes.

### PARAGUAY

#### Stevia conquers permanent place as a sugar substitute

The European Parliament approved the sweetener Stevia in November 2011. Initially it was decreed that there was insufficient evidence that this competitor for cane and beet sugar was actually safe. Despite the fact that the sweetener was used in other countries without problems for decades, the application was rejected. Stevia is accepted not only as a substitute for sugar and other sweeteners in many preparations and drinks, but also as an interesting stock market investment.

Stevia grows in the wild, near the border between Brazil and Paraguay. There are currently also plantations in Brazil, Paraguay, Uruguay, Central America, Israel, Thailand and China.

This plant appeared in the spotlight quite suddenly, when big soft drink manufacturers like Coca-Cola and PepsiCo started using it as a substitute for sugar.

### **INDIA**

#### **Onion prices to remain high until March 2012**

The drought in Maharashtra has hit the onion crop, with retail prices touching around Rs 30 per kg in Mumbai. The situation is likely to ease only after March when summer crop enters the market. "The drought has led to a 30% to 40% decline in production," said Nandakumar Daga, director of Nashik's Lasalgaon agriculture produce market committee, the largest market for onions in India.



He further added that the wholesale prices of late kharif onions had risen from Rs 1,600 to 1,800 to about Rs 2,200 to Rs2,300 within few weeks.

"Rates will be high till March and will reduce when the summer crop (unhali kanda) enters the market," said Changdeorao Holkar, director, National Agricultural Cooperative Marketing Federation of India.

### **RUSSIA**

#### **Vegetables grown at space stations are edible**

Russian scientists claimed that vegetables grown on board of the International



Space Station (ISS) can be consumed without fearing food poisoning this is prior to the recent study over the years on orbital-grown vegetables, including Misuna, or Japanese Cabbage

No deviations were detected in their biomass composition compared with cabbage grown on Earth.

Russian scientists plan to use the results of these experiments for compiling a list of plants suitable for cultivating during prolonged space missions, including manned flights to Mars and beyond.

### **SOUTH AFRICA**

#### **Pomegranate season at Sapex Exports commences**

Weather conditions have been favorable for pomegranate growing in South Africa. Export of pomegranates from South Africa has only been taking place for 2-3 years, the main markets are the EU, UK, Scandinavia and Russia with a small volume going to Canada. The estimated volume has doubled from last year to around 7000 tonnes.

In this context, 3,500 to 4000 tons was classified to go for juicing and loose



arils, whereas the remainder of class I and II will go to the fresh market. The increase in volume is due to maturation of existing orchards which stand at 700 ha. few new trees have been planted.

Packing of the fruit will commence by end of 8th week of production and Sapex will mainly air-freight the first fruit to the market. The beginning of the season marks February and March as months of higher demand for the South African fruit, this falls off a bit as Chile and Peru enter the market.

### **SPAIN**

#### **ASAJA Murcia wants promotion plan for export to Arab Emirates**

The professional agricultural organization, ASAJA Murcia, has requested a promotion plan for the Murcia horticultural sector this week. Murcia plans to ship fruit and vegetables to the United Arab Emirates.



Alfonso Gálvez Caravaca, Secretary General of ASAJA Murcia, said that our product has great potential for consumption in the United Arab Emirates. That is why a great need is felt to lay a solid strategy to maximize the commercial potency of export.

Gálvez Caravaca explained that a five-year promotion plan is of fundamental importance. Such a plan could allow to use modern communication tools to reach this economically interesting market. In order for this strategy to work, a close collaboration could be established with local ministries and EU administrations.

### USA

#### China top market for Californian Almonds

China and Hong Kong imported 236 million pounds of California almonds in 2011-12, according to the Almond Board

of California. China has emerged as, by far and away, the top market for Californian almonds.

This represents a 100% increase over the past three years and leaves a large gap between China and second position Spain, which imported 157 million pounds over the same period.



### UNITED KINGDOM

#### Half of food produced in the world ends up as waste

As much as half of all the food produced in the world – equivalent to 2bn tonnes – ends up as waste every year as per the reports conducted by Institution of Mechanical Engineers (IMechE) from UK.

The "staggering" new figures are based on an analysis on unnecessarily strict sell-by dates, buy-one- get-one free and Western consumer demand for cosmetically perfect food, along with "poor engineering and agricultural practices", inadequate infrastructure and poor storage facilities.



In the face of United Nations predictions which stated that there could be an extra 3 billion people to feed by the end of the century and growing pressure on the resources needed to produce food, including land, water and energy leading to an alarming call to control the waste.

In the UK as much as 30% of vegetable crops are not harvested due to their failure to meet retailers' exacting standards on physical appearance, while up to half of the food that is bought in Europe and the US is thrown away by consumers.

About 550bn cubic meter of water is wasted globally in growing crops that never reach the consumer. Carnivorous diets add extra pressure as it takes 20-50 times the amount of water to produce 1kg of meat than 1kg of vegetables; the demand for water in food production could reach 10 to 13 trillion cubic metres a year by 2050.

This is 2.5 to 3.5 times greater than the total human use of fresh water today and could lead to more dangerous water shortages around the world. Furthermore there is the potential to provide 60-100% more food by eliminating losses and waste while at the same time freeing up land, energy and water resources.

Tim Fox, head of energy and environment at the IMechE, stated that the amount of food wasted and lost around the world was staggering. This is food that could be used to feed the world's growing population – as well as those in hunger today. It is also an unnecessary waste of the land, water and energy resources that were used in the production, processing and distribution of this food.

He further added that in order to prevent further waste, governments, development agencies and organisation like the UN must work together to help change people's mindsets on waste and discourage wasteful practices by farmers, food producers, supermarkets and consumers.

In addition to these two markets, the top 10 included India (119 million pounds), Germany (117 million), United Arab Emirates (94 million), Japan (62 million), Turkey (59 million), Canada (48 million), Italy (45 million) and South Korea (45 million).

Overall, in addition to domestic sales, which cover the entire nation, Californian almonds are marketed in over 90 countries.

### VENEZUELA

#### Government warns against hoarding food

Venezuela's government has warned businesses against hoarding food amid problems with shortages stating authorities to take the necessary action. Shortages of some basic foods such as sugar and cornmeal have worsened recently while the government had been making the supply available for fewer dollars at the fixed exchange rate.



Business leaders say the limited supply of dollars, along with decreased industrial and agricultural production, has caused shortages. Vice President Nicolas Maduro stated that the government would crack down on businesses if caught over food hoardings despite of the warning. ♦