



Press Release

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SHAFFE Asia meeting 2020: Another record year for Southern Hemisphere fruit exports to Top Asian Destinations in 2019 - Effects of Covid-19 need to be monitored for 2020

SHAFFE, The Southern Hemisphere Association of Fresh Fruit Exporters (SHAFFE), held its annual ASIA meeting in the beginning of July 2020 to review the market developments of 2018-19 and to preliminarily assess the impact of Covid-19 on the current market developments with Asian trading partners. Given the continued emergency status due to the Covid-19 pandemic, for the first time the meeting was not held during *Asia Fruit Logistica* but virtually. SHAFFE countries looked back to a record 2019 season, reaching a new peak of imports into Asian destinations amounting to 2.6 million tonnes worth US\$ 7.6 billion. The Covid-19 pandemic shows some slow-down of import operations due to global logistic constraints for Q1/Q2 2020, but SHAFFE traders look with modest optimism towards the second half of the year. A full overall picture will not be available until the end of the year.

The SHAFFE Asia meeting traditionally is dedicated to the analysis of long-term market developments and trends for fresh fruit from the Southern Hemisphere into the leading Asian destinations. In this regard, 2019 continued to be another record year for global as well as for Southern Hemisphere exports to Asian markets. SHAFFE exporters have once more been increasing their exports from 2018 to 2019 by 15% in value and 13% in volume to 2.6 million tonnes of exported temperate fruit worth more than US\$ 7.6 billion. In particular, Chile as the leading world fruit importer to Asian destinations is continuing its double-digit 5-year average growth (20%), followed by New Zealand (16%) and Australia (20%), with all SHAFFE countries currently consolidating their favourable positions in the Asian Top-Market Destinations. The main driving force behind the tremendous growth curve are still the import markets of China and Hong Kong, which currently amount to 1.8 million tonnes worth US\$ 5.2 billion. Other destinations in the region such as Japan, Taiwan and South Korea show a stable development. The Top-15 Asian countries for temperate fruit currently comprise of about 10.3 million tonnes of overall imported goods to the value of US\$ 19.6 billion, of which round about 43% are delivered by Intra-Asian trade and 40% by Southern Hemisphere exporters.

Considering the continued impact of the Covid-19 pandemic on global trading operations, SHAFFE traders view the current situation with modest optimism, especially with the first signs of recovery of the SHAFFE-China trade. While the market experienced a drop of between 15% to 30% for some products during the acute emergency status in the months of March and April in Asian export destinations as well as at SHAFFE origins, it is now showing signs of recovery. Many SHAFFE traders have also not started their export season yet to Asia. Nevertheless, some key elements remain challenging, including the continued limited availability of airfreight, port congestions as well as other logistic impediments. Also, many market access negotiations for exports to Asian destinations have been on hold, given the strong focus on Covid-19 crisis management throughout the first part of the year. On the positive side, SHAFFE traders welcomed many trade facilitating measures and dynamic crisis management for incoming trade throughout the entire Asian region. The SHAFFE secretariat will continue to monitor the developments in Q3 and Q4, as a full picture will only be available by the end of 2020.

Please find attached the press kit with market data for Southern Hemisphere trade to the Top-15 Asia destinations for 2019. The data is based on sourcing from TradeMap.

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SHAFFE - The Southern Hemisphere Association of Fresh Fruit Exporters is representing exporters from Argentina, Australia, Brazil, Chile, New Zealand, Peru, South Africa and Uruguay. For more information please contact: Nelli Hajdu, Secretary General, SHAFFE – The Southern Hemisphere Association of Fresh Fruit Exporters via shaffe@shaffe.net