


Chilean kiwifruit are back in the South Korean market this year after a ruling in 2011 deemed New Zealand exporter Zespri could no longer lock in [exclusivity contracts](#) with supermarkets. Chilean Kiwifruit Committee general manager Carlos Cruzat tells www.freshfruitportal.com the situation is positive, but there is still more work to be done at home to boost quality and reach better prices abroad. 

Cruzat says Chilean kiwifruit exports to the East Asian country have returned to historic volumes with supermarkets now open because of the ruling.

"According to these supermarkets, they liked the judgment because no supermarket likes to be controlled by any company, whether it be Coca Cola, Nestle or any large company - Lotte Mart and E-Mart didn't want to be controlled by Zespri," he says.

"However, it is not just about the right to enter but you have to earn the right to be there; firstly you can enter the market, but after that you win by having good quality, and these are two very different things."

He says some Chilean companies may have earned the right to be in supermarkets but had not kept good positioning as they had sent fruit too early; he notes however that the industry as a whole has done much better this year in delaying harvests.

"The issue we now need to address is how we arrive at the market, as most of the problems Chile has had were with growers that weren't part of the committee, but every year we have more members incorporated with us.

"The people who send early fruit cause severe damage in the market for us, especially in markets like Japan and Korea, as these peripheral markets are attractive for going early.

"But we do not want to discredit those who are not in the committee unless we have overwhelming evidence - we have a very good record but haven't done all the tests required for that, because the law doesn't allow us to."

He says the best way to respond to this is to send a better product, with growers who believe in the future of the industry that are continuously developing and adapting to demand.

"We make sure there is a minimum level, but we are looking for a higher minimum level in the future; that minimum we reach in the future would appear ridiculous.

"At the orchard level, it costs almost the same to make a bad kiwifruit as a good kiwifruit,

and it ends up being sold for cheaper. What is needed is more discipline."

He says the committee has conducted workshops with Korean importers in a bid to improve the quality of fruit in supermarkets, while also informing them of the progress made in Chile to improve standards.

He highlights most importers the committee has contact with have signaled a difference in Chilean fruit this year.

"I'd say there have been concrete results. There are some technologies that have been implemented, and I think that is very good for us - for example we have reached certain agreements about plant management and growers are quickly taking them up."

Global market outlook

Cruzat explains the global market in 2012 is similar to 2009-10 in terms of volume, which was a period of poor returns. However, this time around he thinks the industry is adapting much better.

"As we have been informing people about the situation in the market, with the kiwifruit report we release with volumes and the work we've been doing in our website, the exporters have been cautious and did not start harvests very early.

"By waiting a bit longer we could meet all the parameters of ripeness that help us to have a better fruit - this has meant that Europe was not put under as much pressure - the U.S. was more or less the same but there were still Italian volumes in the market.

"The only market that has been put under pressure is Asia, mainly China and Hong Kong - prices haven't been good but they haven't been as bad as they were in 2009-10. It's a slow start with adjusted prices, but not bad."

He says there is a lot more fruit in hold this year which implies a more prolonged market period for the season.

"This probably means we'll be able to sell fruit later, and the quality this year is probably one of the best in terms of dry matter; this is partly due to management and partly to do with the weather.

"We have a minimum rule with brix, and each year the brix improves somewhat because of the pressure from the committee not to harvest early fruit."

Containing Psa

When asked about promotions, Cruzat says the committee has limited resources and has more important issues to focus on at the moment, like quality control and containing vine disease Psa.

"The kiwifruit committee is a union organization with very limited resources, and what we focus our efforts on is activities that will generate the biggest change for the industry.

"We are more concerned with tackling Psa than tackling the markets, as our own producers have the possibility to go to the market - we want to have a presence so this year we will physically be in international fairs and promotions will just be in the basic form that the Association of Exporters (ASOEX) puts together.

"Creating a concept of a delicious and pre-ripened product is not something that companies can do alone, but something we have to do as an industry."

He says Chile has had the advantage to date of not having a very strong presence of the disease, while the industry also hasn't used antibiotics as has been done in other kiwifruit-producing countries.

"Our spring is more benign than the New Zealand spring, so talking about the effect of Psa specifically, currently we have a climatic situation where the presence of Psa can't be as aggressive.

"We have just seven pockets detected in a zone that is very enclosed geographically, and if you look at it you see that it has certain climatic issues that explain why it's happened there.

"As we don't have it, we haven't applied antibiotics, it's not necessary to apply antibiotics. I haven't heard of any orchard using antibiotics; there have been tests of analysis, in laboratories and in fields to study what happens with antibiotics, but no one is applying it."

Weather benefits

He says Chile's dry Mediterranean climate has a big part to play in why the disease hasn't spread as it has in other countries. He says the bacteriosis tends to attack in times of relative humidity - which Chile doesn't have much of - and plants with micro-wounds are more susceptible.

"Sometimes you have micro-wounds you don't see, for example when a plant moves in the

wind the wood is rigid but it creaks and you don't realize that this produces micro-wounds; when you have these openings that is where the bacteriosis enters.

"In the case of Chile, we have had the luck of having very few frosts in recent times, so we have had very few conditions where the bacteria enter; additionally we are in a zone that is more or less healthy, we don't have great pressure from the bacteria, and we are also in a zone where there is not the relative humidity or climatic conditions for the bacteria to develop."

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