



## Demand proves strong for Australian citrus as industry meets challenge of COVID-19

By NATHAN HANCOCK, chief executive officer, Citrus Australia.

COVID-19 proved a disruptive influence in the Australian citrus industry this year but strong domestic and international demand for our world class fruit has provided a silver lining.

COVID-19 made an immediate impact, when Prime Minister Scott Morrison closed Australia's borders, stopping Pacific Islanders about to board flights to Australia to work under the Seasonal Worker Programme (SWP).

These workers are critical to harvest each year. Fortunately, there were already Working Holiday Makers (backpackers) and Islanders in Australia under the SWP.

What seemed like a logical solution in extending visas for these workers to help

with the harvest, required extensive lobbying from Citrus Australia with Government, and further significant work with Federal and State government departments.

Pressure on the Government was instrumental in gaining bridging visas for Working Holiday Makers and Islanders already in the country.

Weekly meetings (daily at the onset of restrictions) with State and Federal Government departments would continue for months, as Citrus Australia sought clarification on announcements that affected the workforce of our citrus businesses.

Those businesses in Queensland were harvesting fruit while having to apply new COVID-19 requirements to their workplace



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In business, it helps to have a friend you can turn to for good advice and strong support. Someone who knows your needs and takes the personal care needed to meet them, always working in your best interests. Product excellence and service reliability are indispensable, but what creates that kind of commitment is a spirit of cooperation, continuity, and trust – in other words, friendship. And that's the ship you can count on to carry everything forward.



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and employee accommodation. Businesses in the southern citrus regions had more time to prepare these requirements.

With so much information to absorb and adopt, Citrus Australia dedicated resources to a one-stop information portal on its website, and produced the agricultural industry-leading guide, 'Guide to Covid-19 in the Orchard & Packing Shed'.

This Guide provided a template for citrus businesses to create a working environment that would meet government requirements and, more importantly, protect the health and safety of their employees and family.

Businesses did an exemplary job creating distancing measures, monitoring health of their workforce, increasing cleaning and documenting every aspect at significant cost to themselves.

Our industry was in a uniquely prepared position for this change, given our adoption of food safety principals, which are the spine of any sound COVID-19 plan, and the wide spread of knowledge and awareness of biosecurity principles.

State Government border closures and intrastate travel caused significant challenges throughout the season.

Unfortunately, the pain and angst these decisions caused border communities could and should have been avoided.

Closures issued by most States were done with very little warning and did not seem to be based on evidence of potential COVID-19 risk in the border communities.

The crippling effect of health ministers and departments with city-focussed policy making had a severe impact on borders around the country and the movement of ag workers.

So much of this could have been resolved with proper consultation, and if it was not driven by the health departments alone.

The decision by the New South Wales Government to close the New South Wales-Victoria border in July prevented seasonal workers based in Victoria from working on New South Wales farms.

After ten days of lobbying, significant work with the New South Wales Department of Primary Industries and

discussions with the New South Wales Agriculture Minister, the decision was overturned for seasonal workers. The citrus harvest in New South Wales resumed in July with minimal damage inflicted.

Growers working around the clock minimised damage caused by the worker restrictions. Support from packers ensured quality fruit was delivered to domestic and export markets.

The National Cabinet (comprising the Federal, State and Territory governments) agreed in August to develop a national code to allow cross-border travel for agricultural workers.

Citrus Australia is contributing to the national code, which will involve a consistent set of rules for the agriculture supply chain to cross State boundaries more freely.

Since the National Cabinet decision, the South Australia, Queensland and New South Wales governments have eased their strict border closures, which prevented workers and employers from crossing the border without written exemptions, which were difficult to obtain.

### Domestic demand

Despite the additional work created by COVID-19, there was a silver lining in increased demand, particularly in the domestic market, with retailers revealing all citrus category sales had increased significantly.

Citrus Australia has been active in promoting the health and nutritional benefits of all citrus categories through online campaigns this year.

It may be that COVID-19 recalibrates community sentiment toward our sector as the realisation dawns on some that fresh produce is relatively cheap and abundantly available in our country.

This could well be a fresh produce renaissance where industry is able to claw back some of the ground lost to 'functional' and 'fortified' foods.

### Exports

Australian citrus exports have had a positive start to the season despite the uncertainty caused by COVID-19, with increased orange exports offsetting a



slight decline in mandarin exports in the first six months of 2020.

As of 30 June, both Japan and Greater China had imported 26 per cent of Australian oranges. Japan imported 25 per cent of Australian mandarins, with Greater China importing 16 per cent.

Japan's imports had increased compared to the same period in 2019, while China's decreased. Due to the size of the crop, there has been less fruit available overall that suits the China market specification.

Last year's record year was characterised by an on crop, large volumes of fruit, an increased volume of smaller size fruit.

We also saw an increase in mandarin exports which isn't a great surprise given the number of new plantings we've seen in the past decade.

This year the crop volume has been down depending on the variety and timing, but sizing has been good.

The industry has adjusted to operating under different conditions than in the past – a virtual marketing space - due to COVID-19.

There hasn't been the opportunity to visit the market, to view the fruit and to get a sense for the flow of product, so trust in relationships has been important.

There has also been increased risk that at any time a market may close or a port may be heavily congested due to COVID-19 regulations, in the importing country.

Despite this, demand for citrus globally has been very strong. Since



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the beginning of the pandemic many markets saw a sharp rise in demand and this has continued through to our season too.

Demand has been strong from a range of Australia's key markets.

Demand from Japan has been strong all season, as have other markets such as New Zealand, Singapore and Malaysia for oranges, and the Philippines and Thailand for mandarins.

We predicted the 2020 citrus season would be smaller in volume than last year but it seems certain varieties have been lower in volume than we first thought, particularly early and mid-season Navel oranges and Murcotts.

However, Citrus Australia is still optimistic it will be a reasonably strong export season given strong demand domestically and across our export markets.

## Looking forward

The Federal Government announced in August the reopening of the Pacific Labour Scheme and Seasonal Worker Programme.

The Federal Government has assured the horticulture industry it would approve the visa applications, but it now depends on each State and Territory to "opt-in" to the reopened schemes and administer their arrival into the regions.

We welcome the Government announcement and look forward to working with State governments to ensure all growers have a full workforce for the 2021 harvest and into future seasons, as Australia tracks its way to recovery from the pandemic.

Citrus Australia is working with all State Government departments, advising them of the importance of their help in administering these schemes, and supplying necessary data on required worker numbers in each citrus region.

We will also work with our citrus businesses on collating information on just how many workers are required across the country for every month of harvest.

This information provided by our businesses will help us in our meetings with Government, and in turn help Government create appropriate policy in a timely fashion. ▲



## Pilot project on traceability to strengthen consumer confidence

Agriculture Victoria has engaged Citrus Australia to undertake a \$200,000 pilot programme aimed at improving traceability in horticulture supply chains.

The pilot traceability scheme will demonstrate the application of emerging technologies to a horticultural business in a real-time environment – from application of unique codes to individual packs, through to tracking them in the marketplace.

The scope and audacity of IP theft costs individual citrus businesses and the wider citrus industry millions of dollars every year.

The citrus industry relies on its quality and the safety of the product we produce here in Australia. We have a premium product in our export markets, and we need to be able to prove to our end supplier the origin of our product.

Under the pilot project, Citrus Australia has engaged technology companies Laava ID, provider of Laava Smart Fingerprint technology, and Trust Provenance, a provider of blockchain technology, to develop a traceability system for export citrus fruit supply chains.

Laava ID uses advanced computer vision technology developed in collaboration with CSIRO to produce a unique 'fingerprint' that can be scanned by any smartphone.

Unlike barcodes or QR codes, which have been used in the past, Laava's Smart Fingerprint technology is much harder to impersonate or replicate (a technique known as 'spoofing') and much more secure, making it more resistant to counterfeiting.

Trust Provenance have built an integrity system that allows multiple data points to be linked into the one data platform.

Fruit grown by Nu Leaf IP near Mildura, Victoria, and packed at Mildura Fruit Company has been labelled and landed in China. Boxes and 1 kilogram pre-packs are now being sold in stores with the Laava Smart Fingerprint technology. The trial has shown that the unique Fingerprint technology can integrate with existing systems, in this case, MFC.

Nu Leaf IP is the master licensee in Australia for Tang-gold, a high value seedless mandarin variety bred by the University of California, Riverside, USA.

Using the digital fingerprint labelling on packaging and through the blockchain will help protect brands and allow the customer to directly access proof of origin and the features of the fruit.

It also helps give consumers confidence they are buying a premium variety with the features they desire.

By scanning the Laava Smart Fingerprint with their mobile phone, consumers can authenticate the products that they buy, learn more about their products, and engage deeper with the brands that made them.

The benefit of blockchain in traceability is that any data point that is stored on the blockchain cannot be changed.

Bringing all these data sets together on the one platform also enables a number of business efficiencies and ultimately that brings a fresher and better quality product through to the consumer, who will have confidence they're buying authentic Australian-grown produce.

In this project, we're integrating data points from the grower, the pack shed, the logistics company, the food safety certification body and from data loggers which have got GPS and temperature data points throughout the journey.



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