

A Long Road Tests A Horse's Strength 路遙知馬力



Tom Bellamore

This proverb dating back to China's Yuan Dynasty draws a parallel between the literal idea of being tested over time and what it takes to reveal the nature of a person's true heart or character. In the simplest sense it describes the California avocado industry's plight to gain access to one of the largest consumer markets in the world, a protracted process that has dragged on for nearly a decade. Perhaps it also reveals something about the nature of China as a trading partner, and what lies in that country's true heart.

With a population approaching 1.4 billion, China is a marketer's dream. China's middle class—those with annual household earnings between U.S. \$9,000 - \$34,000—may already be 600 million strong, and a recent report by McKinsey & Company projects continued, fast-paced expansion. By 2022, according to the report, more than 75 percent of China's urban consumers will fall into that category.

The Chinese are already fruit and vegetable lovers, so opportunities for the fresh produce sector should be limitless. China produces half of the fresh vegetables grown worldwide and 30 percent of all fruit. Since 2004, it has ranked first as the single largest producer of fruits and vegetables in the world. In 2012, less

than 3 percent of that production was exported, signaling quite an appetite for fresh produce in its home market. China sends apples, pears, citrus and garlic abroad, and the United States factors into its market development plans as exports rise.

Presently, China has no real commercial production of avocados. The fruit that is the mainstay of California cuisine is relatively new to the Chinese palate, but there is considerable interest in the product, which is increasing in popularity. In the early stages of market development, consumer education is critical. Nutritional benefits, ripening and handling tips, and usage ideas all play a key role in developing a taste for avocados where none existed previously.

It is not lack of familiarity, however, that is keeping California avocados from becoming the sweetheart of the fruit and vegetable world in China. It is the Chinese government—for reasons that are hard to pin down. The California Avocado Commission (CAC) first requested market access to China for California avocados in July 2005. Before that year had ended, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) formally petitioned for access and provided a pest list for California avocados, the first step in the process. In 2006, access seemed promising as China's General Ad-

ministration of Quality Supervision, Inspection and Quarantine (AQSIQ), the counterpart to APHIS, indicated that work on a pest risk assessment (PRA) was underway. The Commission had also convinced a Chinese fruit and vegetable importer to request an import permit for California avocados and APHIS had made avocados one of only four commodities on its priority access list. Early in 2007, AQSIQ told APHIS that it was still working on the PRA, but no import permits were issued.

Fast forward to 2014, with the 10-year anniversary of the initial access request just around the corner. Although avocados were discussed at every annual bi-lateral meeting between APHIS and AQSIQ since 2005, a PRA had yet to materialize from China. Meanwhile, China has granted access to Mexico and Chile, and exports of avocados from those countries began to flow eastward. CAC worked with eight members of the California Congressional delegation to generate a letter to APHIS expressing frustration with the process, but still nothing changed. In fact, the Chinese government was trying the patience of other U.S. commodity groups as well, by opening and closing access to the Chinese market for apples and citrus based on phytosanitary decisions that to some, seemed questionable.



Board of Directors

District 1

Member/Carol Steed-**Secretary**
Alternate/Vacant Seat

Member/Jerome Stehly-**Vice Chair**
Alternate/Alex Gonzalez

District 2

Member/Charley Wolk
Alternate/Kellen Newhouse

Member/Leo McGuire
Alternate/Cristina Leon

District 3

Member/Ed McFadden
Alternate/Keith Reeder

Member/Doug O'Hara-**Chairman**
Alternate/Mario Martinez

District 4

Member/John Lamb
Alternate/Robert Grether

Member/Art Bliss-**Treasurer**
Alternate/Jason Cole

District 5

Member/Will Carleton
Alternate/Leo Murillo

Member/Rick Shade
Alternate/Jim Swoboda

Handlers

Member/John Dmytriw
Alternate/Gary Caloroso

Member/Steve Taft
Alternate/Donny Lucy

Member/Wayne Brydon
Alternate/Vacant Seat

Member/Gene Carbone
Alternate/Robb Bertels

Public Member
Leesa Eichberger

To contact a CAC representative, please visit:
CaliforniaAvocadoGrowers.com / Commission / your-representatives

It has been a long road for California, and as a horseman, I know my trusty steed's strength would indeed have been tested on such a journey. Has China also revealed its true heart with respect to these developments? Perhaps. Despite California's claims that China lacks a legitimate phytosanitary reason for excluding access for our avocados, China adheres to its own timetable. The timetable is likely dictated by a variety of factors, including the country's own trade objectives and desire for *quid pro quo* when it comes to access and the interests of its fruit and vegetable sector. But the heart is a funny thing.

Late last year, APHIS informed the Commission that AQSIQ had a new Director General who was visionary in a way unlike his predecessors. Another China-U.S. bilateral meeting was scheduled for early 2015,

and Director General Li accepted an APHIS-proffered invitation, at the request of CAC, to visit a California avocado grove. The grove visit took place on January 23, and the results were truly magical. So impressed by the majesty of the western transverse ranges in which the Ventura County grove was nestled, Director General Li declared that the grove was under the protection of the "Lion's Chair," with nothing short of a perfect, feng shui orientation. That the avocados from the grove were top quality went without saying, though the Director General acknowledged it all the same. His parting words when the three-hour tour (replete with an avocado-centric picnic lunch in the grove) ended, was that he looked forward to seeing Lion's Chair avocados in China one day. We will take that as an expression of his true heart. 🥑

BROKAW NURSERY

Premium Certified Avocado Trees on Clonal Rootstocks

Dusa™ (Merensky 2)
Toro Canyon
Duke 7
Borchard

AVOCADO
KIWI
CITRUS

BROKAW NURSERY, Inc.
P.O. Box 4818 / Salicoy, CA 93007-0818
(805)647-2262 / Fax (805)647-6493

www.brokawnursery.com