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**"Never invest in a business you can't understand" (Warren Buffet)**

## RISING COSTS IN THE VALUE CHAIN

The sector as a whole: growers, warehouses and industry, is going through turbulent times marked by the sharp increase in production costs in recent months and, what is worse, with the close certainty that this escalation will continue at least in the near future. The increase in the price of production inputs, energy, logistics, packaging... is affecting the entire value chain, and very significantly the fruit. Some organisations quantify these increases in figures of up to three-digit percentages: fertilisers (+100%), diesel (+50%), energy (300%), plastics (+50%), water (+30%), which is undoubtedly scandalous.

Concern is growing in the orchards at the difficulty of passing on this impressive increase in costs to product prices. It would be logical to think that the supermarkets would adjust their margins, but the scenario of inflation which in Spain is running at up to 5.5% could provoke the opposite effect, in other words, that the entire adjustment would be passed on to the sector. After receiving tributes for being an essential sector and for feeding citizens with products that improve their health, we run the risk of becoming an economically unsustainable sector. The product: the quality lemon, healthy, CO2 sequestering, with an exemplary water footprint... should not have to bear all the adjustments.



## SPAIN PLANS TO BAN PLASTIC PACKAGING IN FRUIT AND VEGETABLES



The Ministry for Ecological Transition and Demographic Challenge (MITECO) has made public the proposal for a legal change that proposes that by 2023 it will be prohibited to sell fruit and vegetables in plastic packaging in all retail establishments. The objective is a priori interesting as it aims to combat the abuse of polluting single-use packaging, as well as to encourage sustainable practices such as buying in bulk

and the use of returnable items.

However, the draft has a disproportionate impact on fruit and vegetable packaging, as it proposes to prohibit the use of such packaging when the sales unit is less than 1,5 kg. In addition, if the sales area of the site is larger than 300 m2, customers will have to be informed of the ecological impact of this type of packaging and how it is managed by means of signage. It is true that there is the possibility of including exceptions for some fruit and vegetables when "risk of deterioration when sold in bulk" but we do not know the criteria that will be applied.

Our sector has firmly demonstrated its commitment to implementing sustainable development strategies. We know that this is an essential way to respond to consumer demands and our own conviction to care for the environment. But imposing the rules of the game by means of regulations and official state gazettes seems disproportionate and difficult to accept.

## 10 HEALTH ALERTS ON TURKISH LEMONS IN THE EU



The European Commission has reported through the RASSF system - Rapid Alert System for Foodstuffs in the European Union - that in just two months of the season (September and October), 10 batches of Turkish lemons have been rejected, prohibiting their entry and marketing in the European Union. The rejection of the Turkish lemons was due to the detection of residues of Chlorpyrifos, Prochloraz and Chlorpyrifos-Methyl, in concentrations that exceeded up to 75 times the MRL (maximum residue limit) established by Community regulations. This is undoubtedly worrying data that should be considered by European customers when planning their lemon supply schedules from Turkey in the coming weeks.