

Session 6:
Gaining, Retaining and
Optimising Market Access



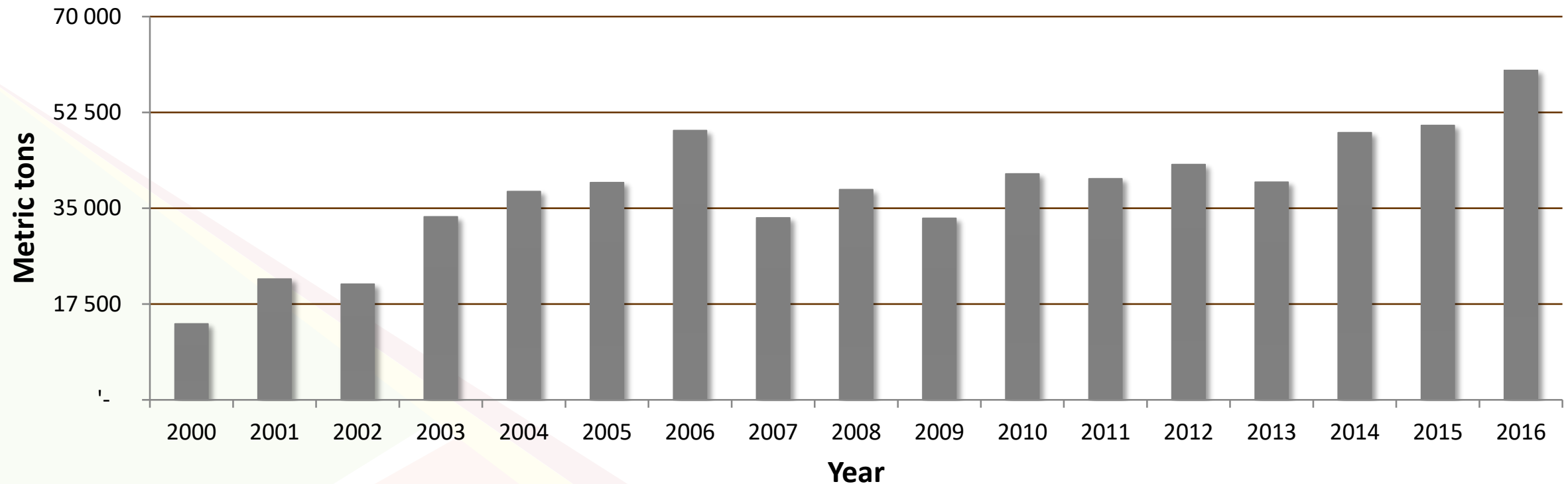
Opportunities in the USA

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US Market Growth of Fresh Imported Summer Citrus – South Africa

South African Citrus Imports to US 2000-2016



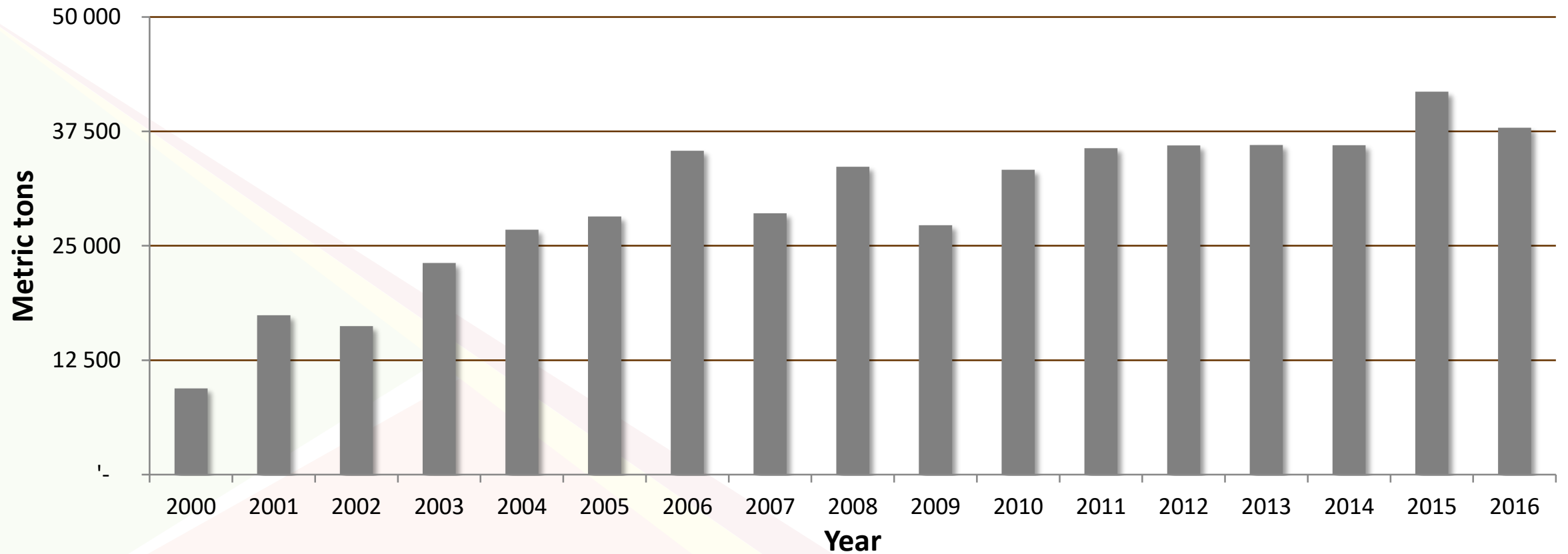
2016 Volumes and Trends

- Record Shipments: 60,000MT
- Growth Category: Clem / Man
- Modest Expansion: Grapefruit

*Source – USDA Foreign Agricultural Service

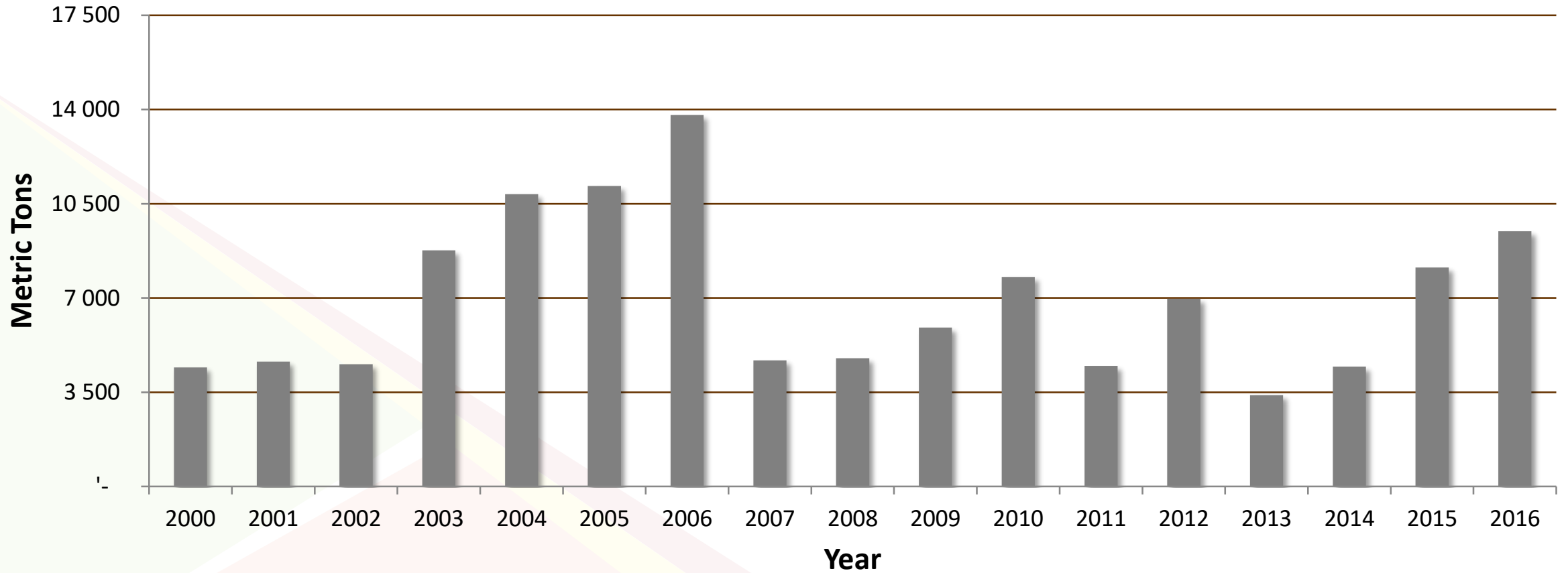
US Market Growth of Fresh Imported Summer Citrus – South Africa

South African Orange Imports to US 2000-2016



US Market Growth of Fresh Imported Summer Citrus – South Africa

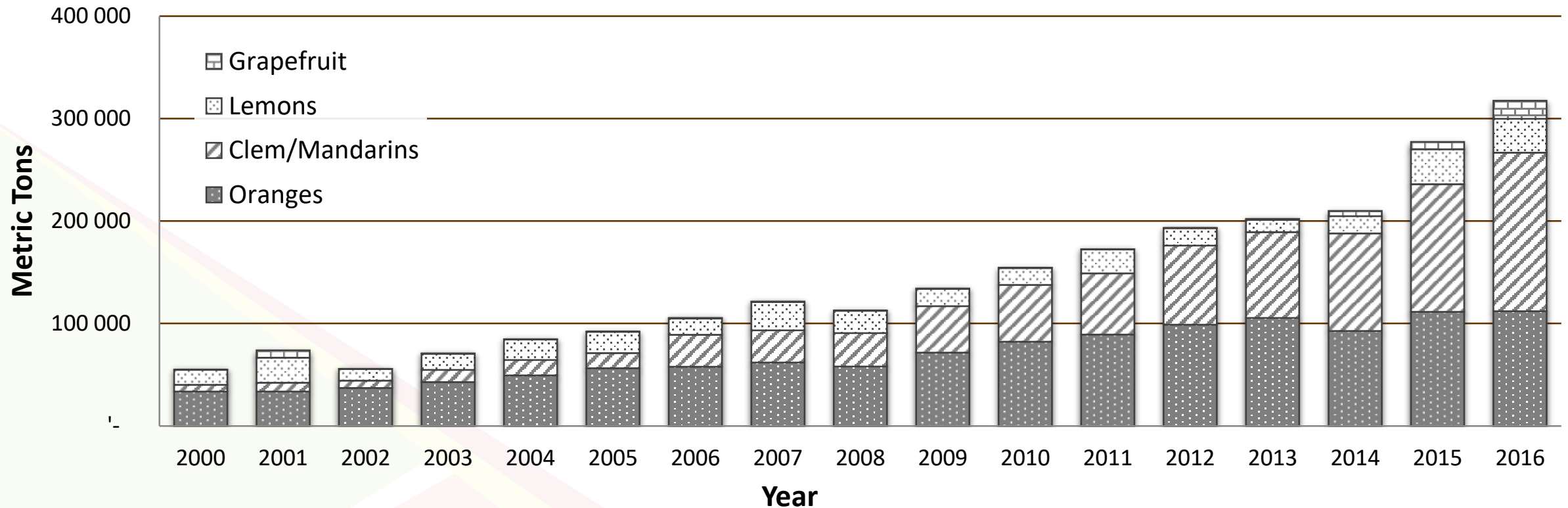
South African Clementines Imports to US 2000-2016



- Clem / Man: Continue to expand

US Market Growth of Fresh Imported Summer Citrus – South Africa

US Summer Citrus Imports by Commodity 2000-2016

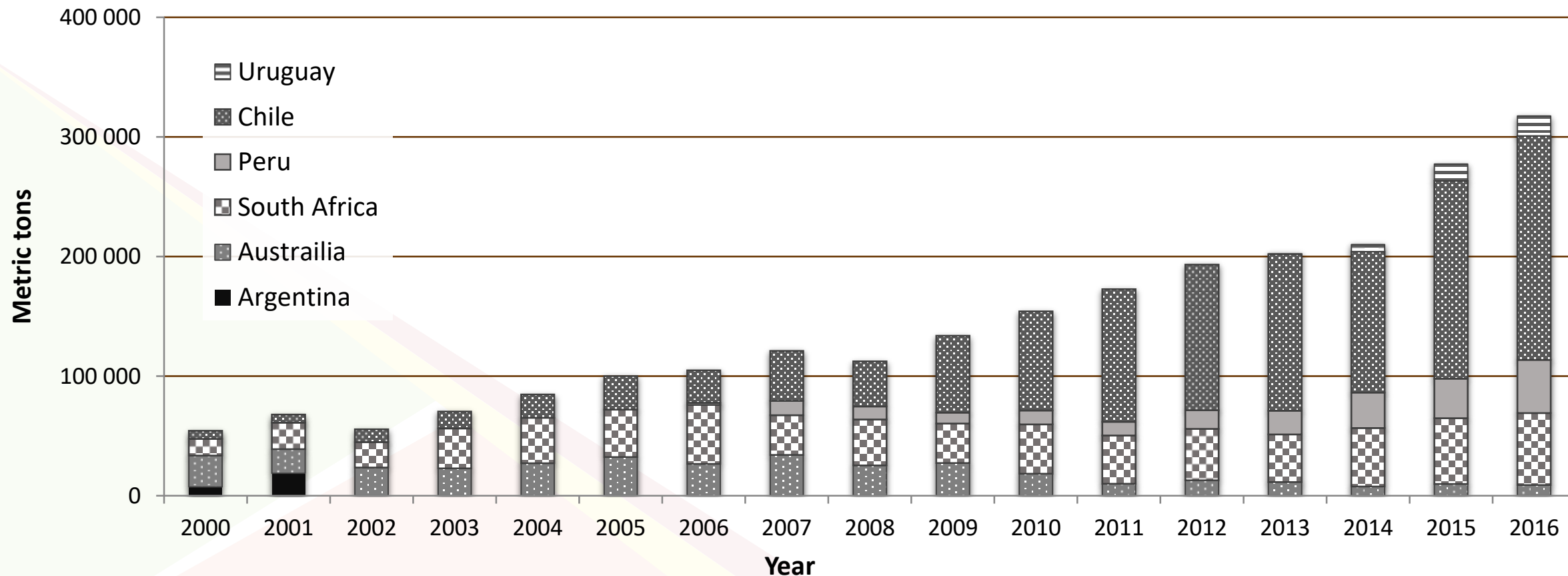


2016 Volumes and Trends

- Clem / Man enjoy strong consumer acceptance, consumption
- Argentine Lemons wait for publication of Final Rule
- Modest Expansion: Grapefruit

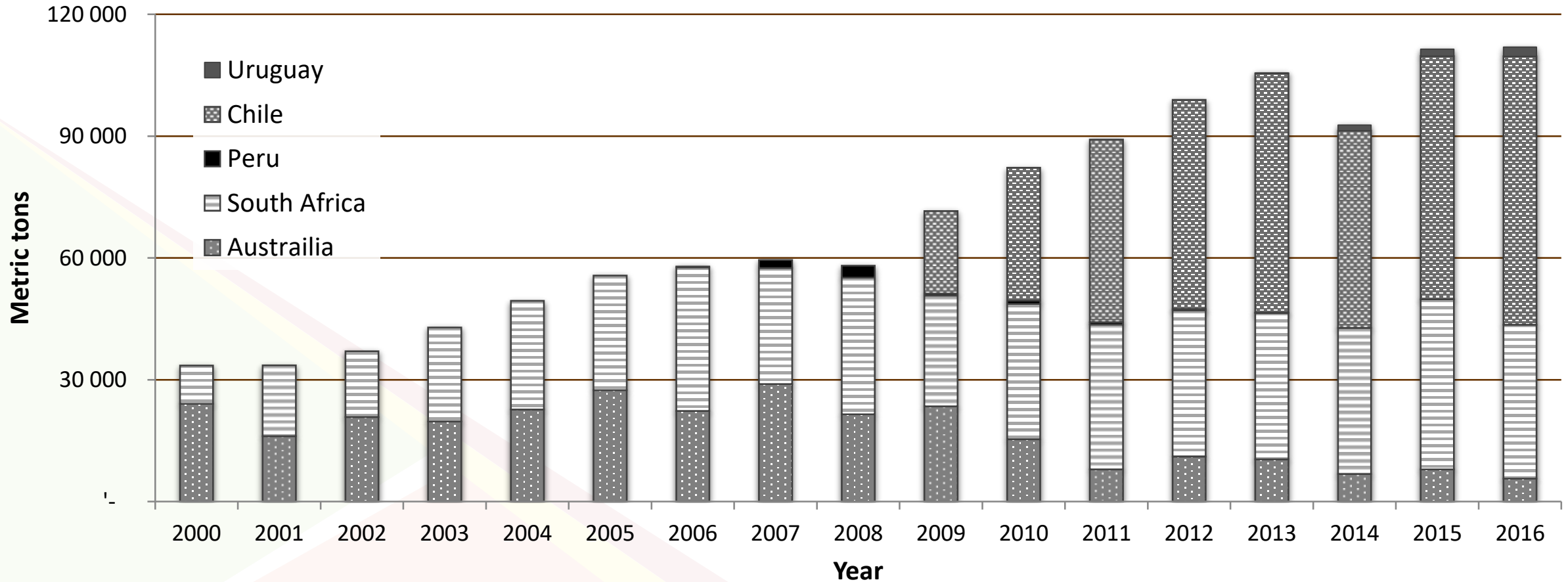
US Market Growth of Fresh Imported Summer Citrus by Country

US Summer Citrus Imports by Country 2000-2016



US Market Growth of Fresh Imported Summer Oranges

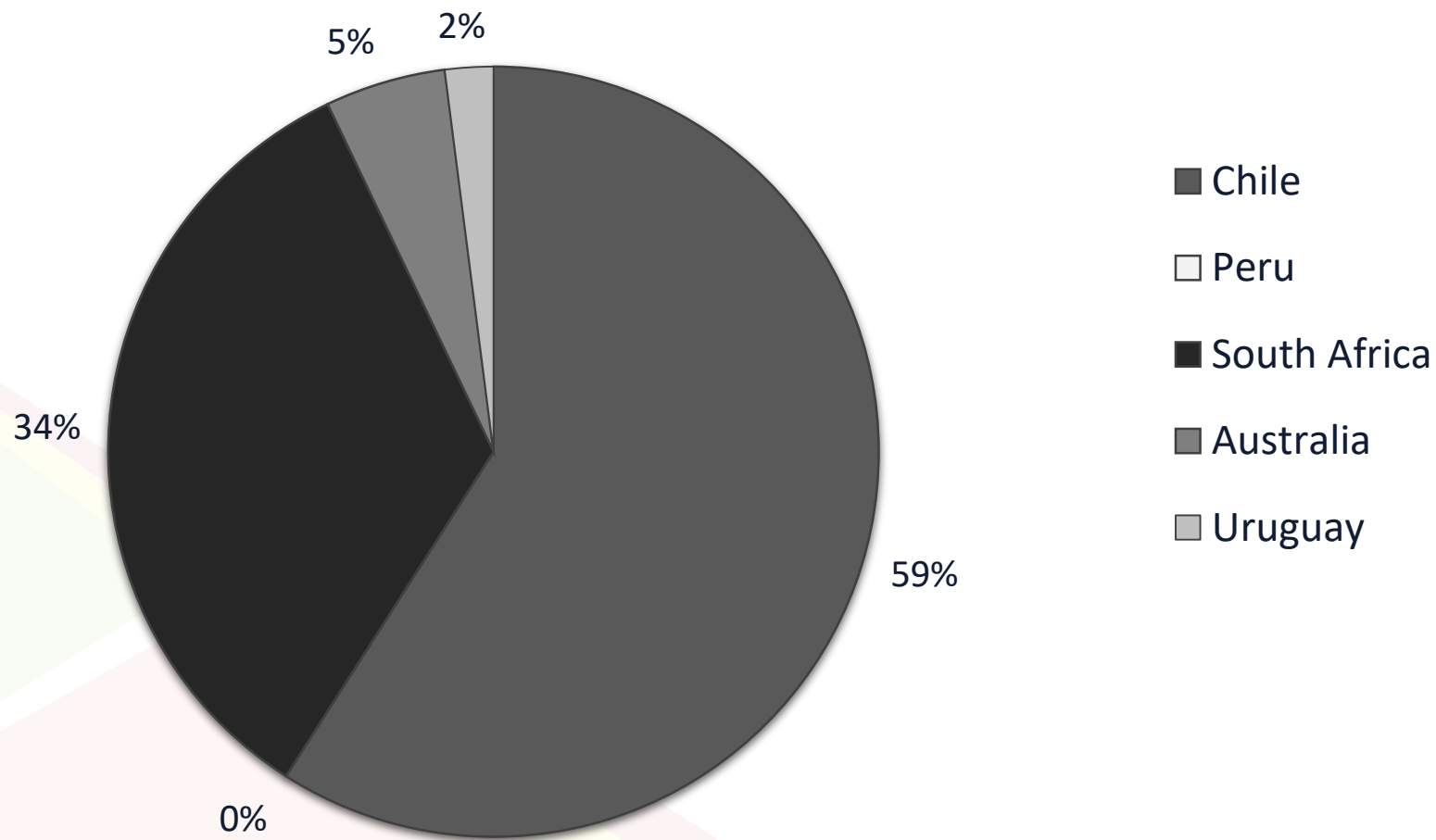
US Summer Citrus Oranges by Country 2000-2016



- Chile is now the dominating supplier of Summer Citrus, 60% of total

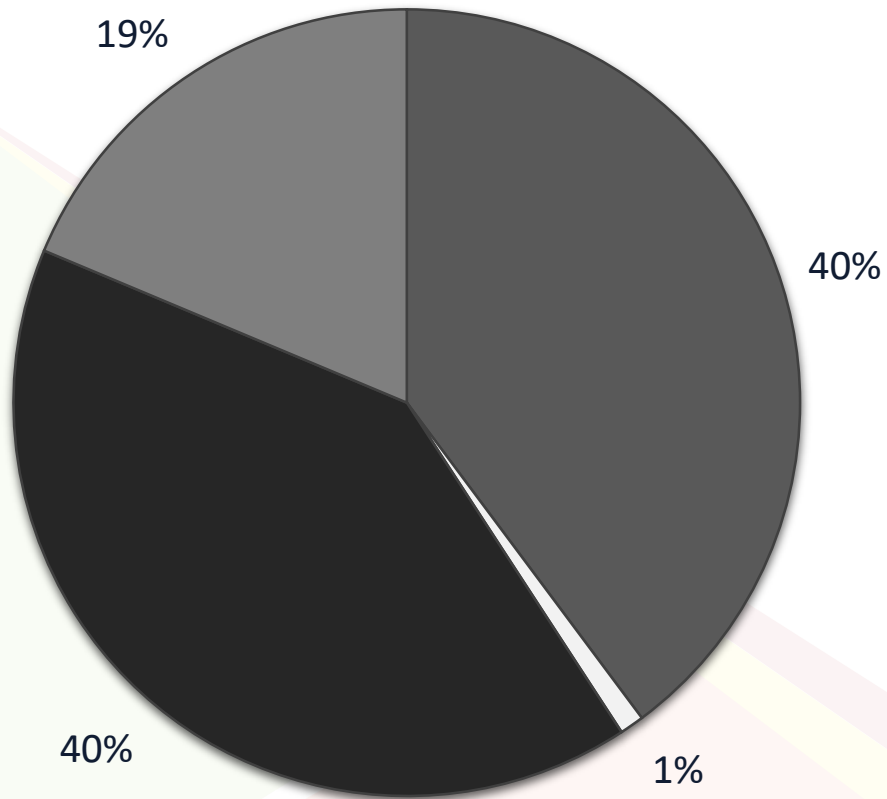
Imported Summer Citrus to US 2010 % by Country - Oranges

2016 Summer Oranges

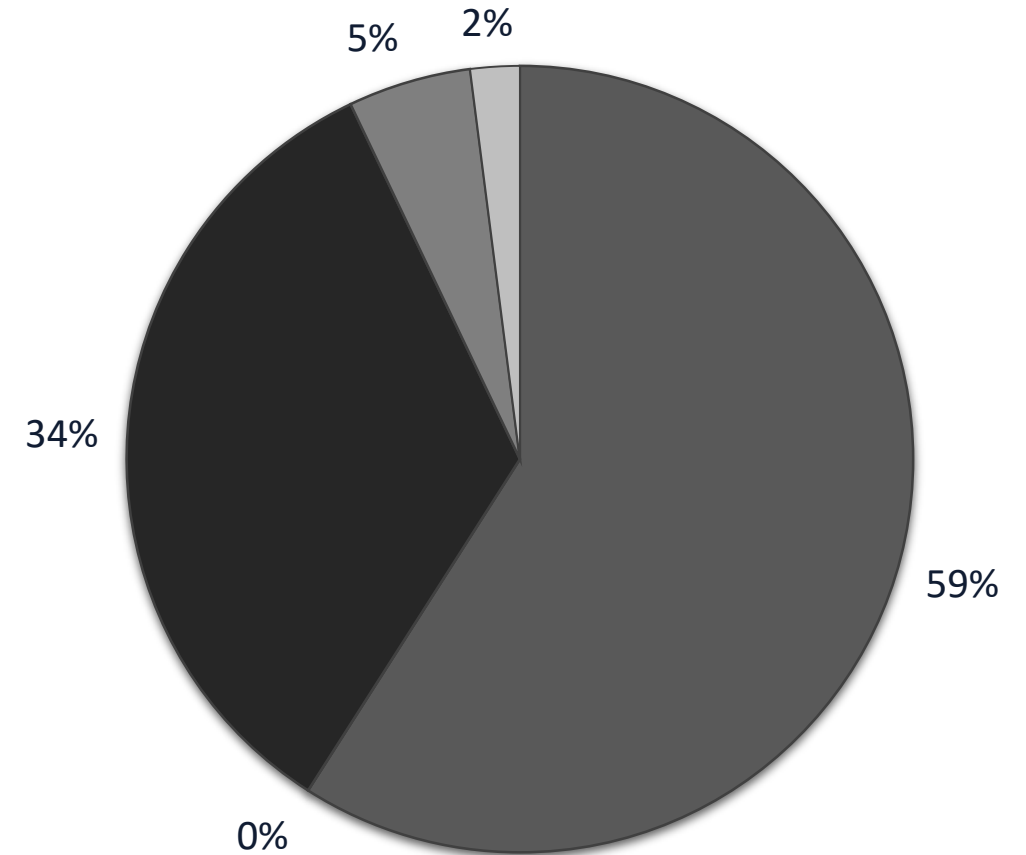


Imported Summer Citrus to US 2010 % by Country - Oranges

2010



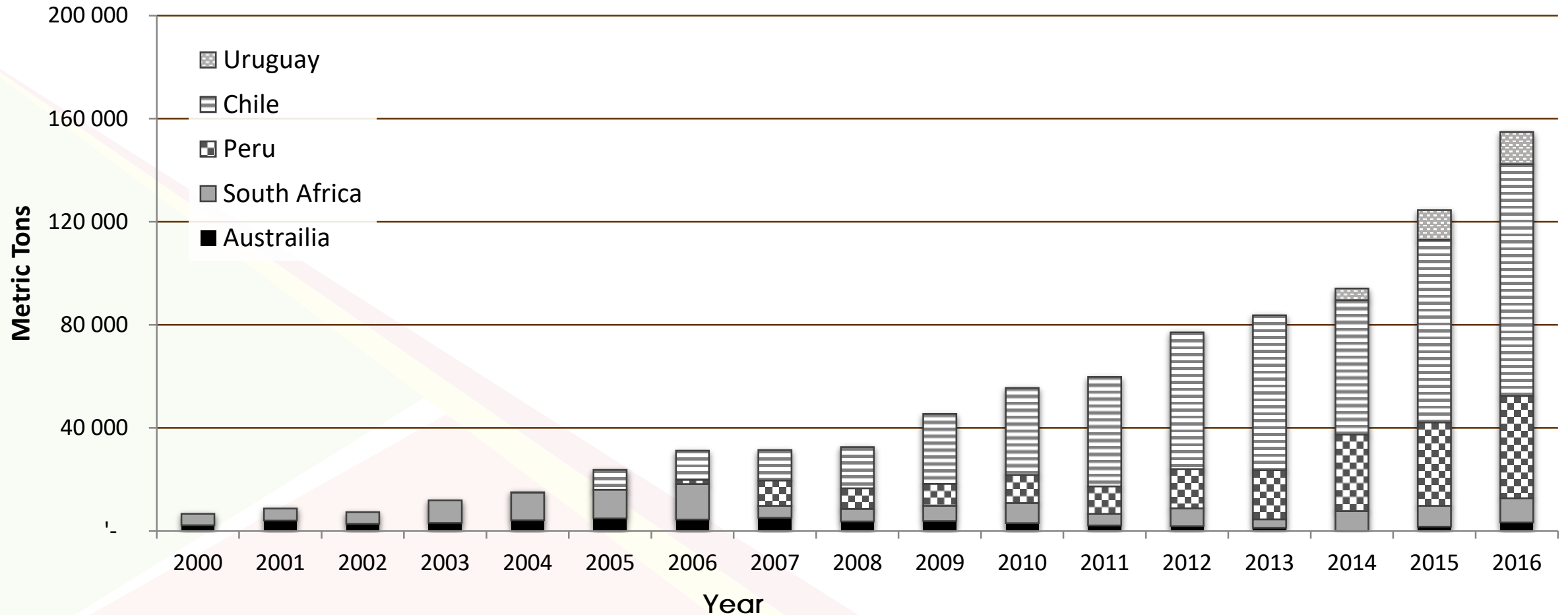
2016



- South Africa share of market has declined from 40% to 34%

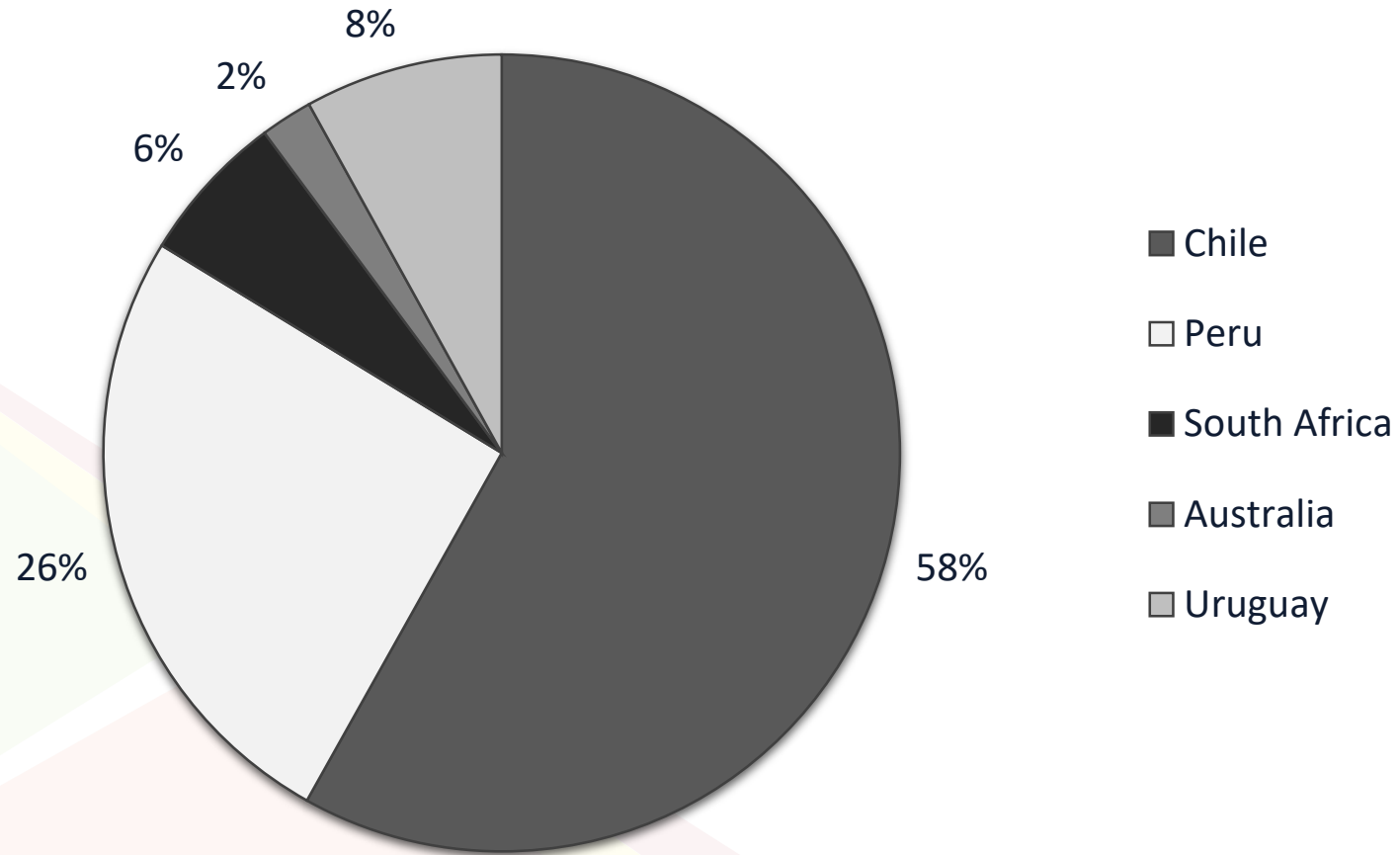
US Market Growth of Fresh Imported Summer Clementines / Mandarins

US Summer Citrus Clementine/Mandarins by Country 2000-2016



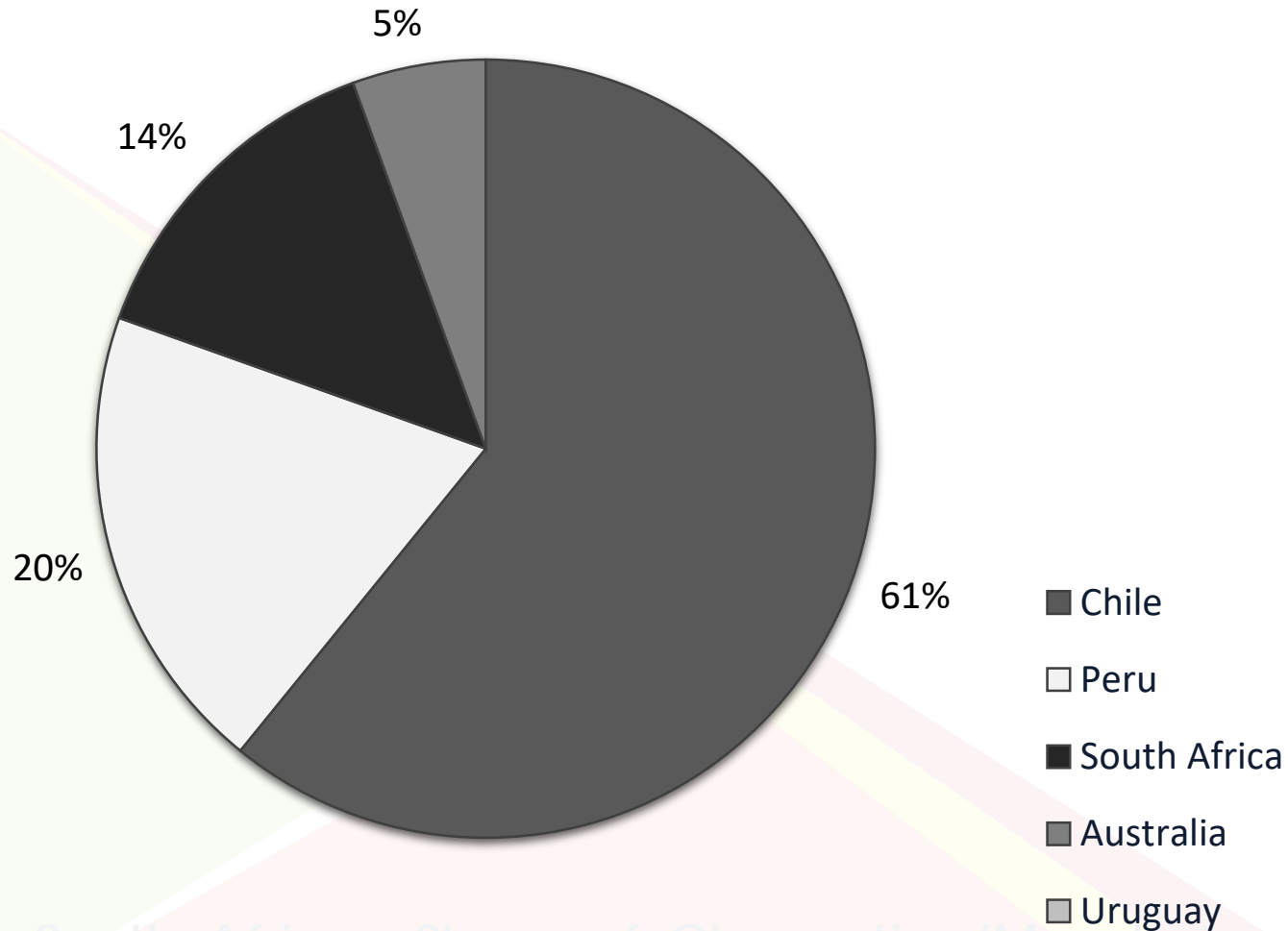
Imported Summer Citrus to US 2016 % by Country - Clementines

2016 Summer Clementines

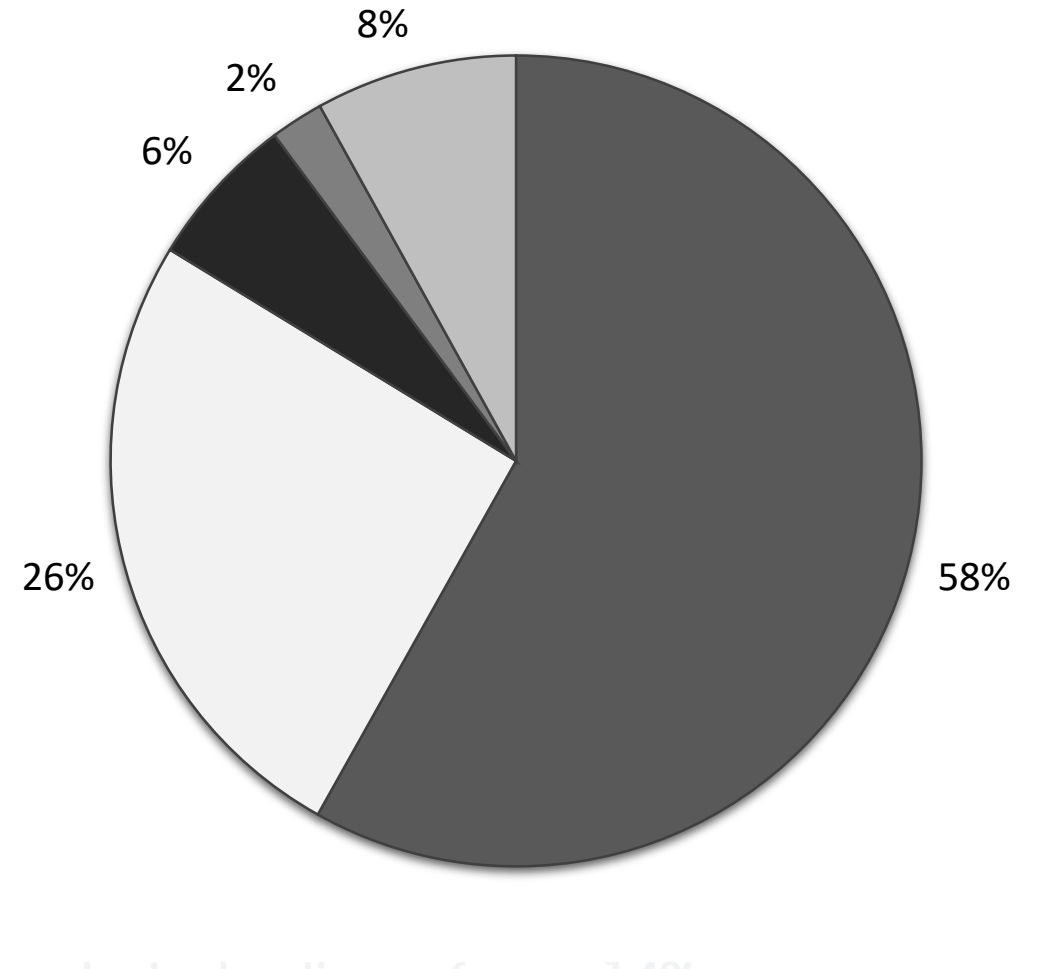


Imported Summer Citrus to US 2010 % by Country - Clementines

2010



2016



South Africa's Share of Clementine/Mandarin market declines from 14% to 6%

Some important positive steps

- Cold steri protocol for RSA citrus has been reduced back to 22 days from 24 days and extra sampling and cutting upon arrival has been eliminated.
- Port of Houston, Texas has been approved as a port of discharge for RSA citrus (previously this was only approved on a pilot programme basis.)

The Million Dollar Question – Access for the Rest of RSA???

- Trump Administration has caused uncertainty
- Rule allowing for the importation of Argentinean lemons into the USA was published in January and then subsequently put on 90 day hold
- Administration announced that other agreements would be reviewed
- Our rule making was in process, comment period was over and rule writing normally commences but now there is uncertainty

The Million Dollar Question – Access for the Rest of RSA??? (continued)

- Citrus industry representative bodies in California who opposed Argentina and our expanded entry have jumped on the bandwagon
- AGOA, approved in 2016, also has uncertainty around it because parties can call for review and this can be expected to occur
- Trump administration scrapped the TPP agreement and other treaties like NAFTA are being criticised

Potential for Citrus Growth for RSA Citrus in the USA

- General comment: USA market is a high quality premium market. The US is a citrus producing country, consumers are used to good quality citrus.
- Western Cape Citrus Alliance or Summer Citrus from South Africa have been very mindful of this in their approach to the USA market. Careful coordination and management of quality standards have built a strong reputation for RSA citrus in the market. This can be built on or it can be destroyed as access for RSA widens.

Potential for Citrus Growth for RSA Citrus in the USA

- Oranges market is mature, growth will be limited and will mostly come by taking market share away from Chile and RSA on the basis of lower prices.
- Soft citrus – Significant room for growth, demand is growing and market is often under-supplied.
- Cara Cara Navels – Room for growth, market is under-supplied, potential is good but limited as it is a niche product.
- Grapefruit – Significant room for growth, market is supplied with low quality fruit from California and Florida's production is also in decline.
- Lemons – Significant potential for growth but current 22 day cold steri protocol does not work for lemons.

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Thank you

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