

First year in eight with no CBS interceptions

South Africa: Citrus exports to EU get extended zero tariff period

At the moment South Africa has a tariff free period for exports to the European Union countries which ends on 16th October every year, when tariffs then increase to 16%. But this is about to change as, recently, the South African Customs Union signed an Economic Partnership Agreement with the European Union to extend the tariff free period over a period of ten years.



"The agreement has not come into force yet," explains Justin Chadwick CEO of South Africa's Citrus Grower's Association. "We are still waiting for a start date. When it does kick in it will, over ten years, reduce the tariffs from 16th October, for a 6 week period, until end of November. It will come down equally over the nine years, at a rate of 1.8% per year, and in ten year's time it will be zero. If it gets signed before 16th of October 2016 tariffs will be reduced by 1.8% until the end of November 2016, otherwise it would start in 2017.

"It will be a slow reduction but it will make our citrus more competitive in Europe. I don't think it will necessarily will mean a huge increase in exports in that part of the season, but what has been happening is that exporters have been shipping slightly higher volumes just before the tariff deadline, so that there is enough product in the market to carry them through, so it is possibly stored a bit longer than it would normally be. I think that when the tariff is lowered it will mean more evenly spaced exports, which is better for everyone."

Brexit

According to Justin, Brexit could be advantageous for South African citrus exports but it will depend on what the UK Government does in terms of plant health and tariff regulations. "The obvious hope we have is that the plant health regulations will change. As they don't have citrus production in the UK, CBS would no longer be an issue."

The other side is on tariff and quota issues, at the moment there is one set of regulations for the whole European Union, so it remains to be seen if they will make their own new regulations or adopt those in place in at the moment. "Our hope would that we renegotiate the tariffs for citrus, again because they don't have any domestic producers to protect," said Justin.

Citrus Black Spot

For the first time in 8 years there have been no CBS interceptions reported this far into the season. According to Justin there have been a few rumours around but no official interceptions to date. "We are not out of danger yet though, as it is normally the Valencias which pose the biggest risk and we are only half way through the season."

Climatic conditions in the northern part of the country were very dry and hot. During the period where you would usually get the inoculation there were no spores around, according to Justin. But he also points out that in the Eastern Cape where over 30% of South Africa's citrus is produced, they did have rain and a climate which might have resulted in CBS. He concludes that it is a combination of good climate and really good management practices and work by the Department of Agriculture. In addition there is such a high level of awareness within the industry.

9th CRI Citrus Research Symposium

This year's programme was packed into 12 sessions over three days, with a total of 90 presentations.

"It was a fantastic program put together by CRI scientists attended by around 600 people. It shows the excellent research being done by CRI," said Justin.

"It is an opportunity for researchers to present the results of their research. Now is when growers start to apply management practises for next years' crop. The idea is that if there is new research being developed people can learn about it so they can apply it."

Attendees covered the whole supply chain, as well as many students from the Citrus Academy and international visitors.

Publication date: 8/30/2016

Author: Nichola Watson

Copyright: www.freshplaza.com

© 2016 FreshPlaza. All rights reserved.