

Navel season expected to end about 3 weeks earlier

Eastern Cape: early signs of splitting on late navels, but to lesser degree

Navel producers in the Eastern Cape are making the most of the cards they were dealt this season in an area whose economy is massively dependent on citrus.

Yield on navels in the Sundays River Valley is still estimated at 40 to 50% down and in the Gamtoos River Valley (Patensie) it is estimated to be 30% down.

As reported initially, early navels varieties like Navelina and Newhall appear to have been most affected by the splitting but there are already small splits visible on Cara-Cara and Cambria navels in some orchards, although to a lesser degree than on the early navels, reports Snyman Kritzinger, managing director of Grown4U.



Total navel export volumes emanating from the Eastern and Western Cape could be 3 to 4 million cartons lower.

The expectation is that there will be a shortage in navels, with a concomitant rise in prices. Might this ameliorate the situation?

"Low volumes set you back badly. We are in the midst of a capital expansion programme and even though lemons are up 10 or 15%, we expect an overall million export cartons fewer than last year, which already was a million down on 2015. Nothing makes up for low volumes. The yield from your orchard is probably the most important factor determining income, followed by the exchange rate, which is strengthening against the US Dollar at the moment. Thirdly you have the pack-out percentage and only in fourth place is the price you get for the product," explains Hannes de Waal, managing director of the Sundays River Citrus Company.

"There's no way that high prices can make up for low volumes. We expect around 7.2 to 7.5 million export cartons in total from the SRCC, coupled with higher costs in the packhouse where the oranges are being sorted very strictly. The moment we see one with an exposed navel end it is sent for juicing, we can't even send it to the local markets because in two, three days it starts going off."



Up to three times as many workers as usual are now employed at the sorting tables to pick up any problematic fruit.

In the Gamtoos Valley, which was hit less severely than the Sundays River Valley, Fredri Kok, chief executive officer of Patensie Citrus, says that with about 75% of their navel harvest still ahead of them, it's too early to know whether their initial estimate of a pack-out percentage of 50 to 60% (as opposed to their usual 60 to 70%) will prove to be accurate or not. "We can say that the navel season will probably end earlier. Where normally it runs over 12 weeks, it'll run for about 9 weeks due to lower volumes, ending around week 27."

Kok continues: "It's difficult to say much about the prices for our navels on export markets as our consignments are still being shipped. Prices on fixed markets are somewhat higher, not very much higher, but it might be different on the European market which is more of a consignment market. In practice I think prices will depend on an exporter's appetite for risk, which determines where you go with your product. We take a long term view on our marketing and we send product to the Far East, Middle East, Southeast Asia, Russia and Europe."

Patensie Citrus' early navels aren't sent to China because of a higher risk of chilling damage due to the cold steri treatment, but late navels are sent there.

"Not everything is doom and gloom," says Grown4U's Snyman Kritzinger. "Our Eastern Cape fruit is number one in taste, that's a fact. On the Chinese market they refer to our fruit as 'fruit from the south' [the Eastern Cape is situated in the south of the country] and they easily pay up to RMB40 more for our citrus, specifically for our Nova mandarins. Our clients are now offered oranges from other countries but they're not interested: they're willing to take lower quantity than usual and pay more for it, but they want oranges from the Eastern Cape."

Despite rumours of similar damage to Midknights and Deltas, De Waal, Kok and Kritzinger all confirm that these varieties seem not to have fallen prey to the climatic conditions to the extent of the navels. There was some fruit drop among these varieties, but nothing comparable to the tempo at which the navels dropped, and nothing to set off alarm bells. And in fact, De Waal adds, they expect a larger Midnight harvest than last year.

Might the poor navel season convince growers to reduce their navel acreage? De Waal doesn't think so and he certainly doesn't hope so. "What would you plant in its stead that falls over the same harvest period? New lemon plantings have already expanded at such a tempo. All you can really do is to manage your navel orchards as best you can and this has improved so much, you don't see a poorly managed navel orchard around here anymore."

De Waal concludes: "We remain positive and focus on what we can do but the navel season was an enormous, unpleasant surprise."

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