



Looking back on the citrus season in the Southern Hemisphere

The citrus season in the Southern Hemisphere is coming to an end. The shortage of shipping containers, uncertain shipping times, and strict inspections, all created difficulties for the global trade in citrus fruits. Products were often delayed and some of the fruits spoiled in transport. Importers and exporters suffered financial loss due to a decline in the quality of their products during shipping delays. A number of importers and exporters shared their experiences this season.

Australia

The General Administration Customs China (GACC) increased the inspection rate on import fruit from Australia to 100%. Moreover, the strict inspection procedures are much slower than usual. There was no way for shipping containers with Australian fruit to arrive in China on time. One importer in Shanghai Huizhan Market commented: "The shipping containers were held up at customs for a week or even 10 days. In some cases containers were delayed by as much as one month. The inspections already increase the cost price, but the additional cost of storage during delays further pushed the price up. The new policy put a lot of pressure on Australian exporters. Australian oranges have high Brix values and they do not endure storage well. Shipping delays and slow customs clearance caused a lot of the fruit to spoil, which created losses for importers and exporters." Many importers and exporters temporarily halted trade between Australia and China to avoid the risk of spoiled fruit.

Peru

Peruvian tangerines have gradually settled in the Chinese market. The sales conditions were quite good last year. This year Peruvian production areas enjoyed an abundant tangerine harvest, so the overall production volume grew. One representative for a Shanghai-based company explained: "Some importers planned to enlarge their import volume early in the season, but the market conditions for Peruvian tangerines were not that great this year. The tangerines did well early in the season, but market feedback in the middle and second half of the season was not that good. That was primarily because the shipping times were unreliable,

and that had an impact on the sales conditions of Peruvian tangerines. Moreover, after the first tangerines of the season, the product quality began to drop. Many tangerines suffered from frost damage. Growers and exporters did not do anything different from last year, but shipping was often delayed, which gave the damage more time to show. The poor product quality lowered the market price and that affected sales conditions in the second half of the season."

Chile

The market conditions of Chilean tangerines are slightly worse compared to other production areas. That is because they have to travel a longer distance, and so the cost price is higher and their shelf life is shorter. In addition, Chinese consumers are not that familiar with Chilean tangerines. Only the W.Murcott is well known. That is why the overall import volume of Chilean tangerines has been limited from the beginning.

South Africa

One importer in Jiaxing Wholesale Market talked about the market conditions of oranges and tangerines from South Africa. "The sales conditions of South African oranges and tangerines were excellent last year. Moreover, Australian citrus fruits struggled in the market this year, which gave South African exporters an advantage. Chinese importers generally expanded their import volumes from South Africa. However, when the South African oranges and tangerines entered the market, another wave of Covid-19 infections affected overall market demand. In addition, the large supply volume pushed the price down. For many varieties the price was lower than last year."

"South African oranges and tangerines also suffered from the general shipping crisis, as well as strict quarantine and inspection procedures for refrigerated shipping containers. The number of available ports was reduced, and that added to the cost price of transport," explained the importer in Jiaxing Wholesale Market.

Publication date: Wed 8 Dec 2021
