GLOBAL CITRUS SCAN (41/2009)

Citrus Growers Association (CGA)

John Edmonds (6 November 2009)

Exchange Rate at 12:30 R/$ 7.57 R/€ 11.28 R/£ 12.57

Reefer train service from Spain to the UK on track for savings

For the first time, a weekly rail service from Valencia, Spain, to Great Britain's Ford Dagenham railhead offers an environmentally friendly means for importing fresh Spanish produce. In conjunction with rail operator DB Schenker, the new Stobart Rail train service traveled through the Eurotunnel (Chunnel) under the English Channel and arrived in Britain on time recently after a 1,100-mile trip from Valencia.

The first fully refrigerated train service to travel through the Chunnel, Stobart Rail's Valencia to Dagenham Service is also making the longest train trip in Europe by a single operator. The service will reduce commercial road travel by 13.7 million kilometers annually, and will eliminate 8,625 tonnes of carbon dioxide emissions per year.

Stobart remotely monitors each refrigerated container from "pack-house to customer" to make sure temperatures are precisely controlled and the produce arrives on schedule and in superior condition. On the return trip to Spain, the train will be loaded with pallets being transported for CHEP, so that no empty miles will be traveled.

[refrigeratedtrans.com; 3 November 2009]

Citrus companies subpoenaed, official says

Recently served Department of Justice subpoenas are probably connected to an antitrust investigation into the Australian and South African citrus industries, and it appears that exporters, not importers, are the targets.

"My impression is the subpoenas were connected with that same investigation," said David Holzworth, general counsel for the Santiago-based Chilean Exporters Association, who said the subpoenas were served at the recent Produce Marketing Association Fresh Summit 2009 in Anaheim, Calif. Holzworth would not say which companies were served, or how many were served. In 2007, the Department of Justice launched an investigation into anticompetitive practices in the citrus industry. A Department of Justice spokesperson said Nov. 5 that the department's anti-trust division was investigating the possibility of anti-competitive activity in the citrus industry. The spokesperson would not say whether subpoenas have been served, or whether Australia and South Africa were the countries being investigated. Just because a company is subpoenaed does not mean it is the target of an investigation, Holzworth said.

[thepacker.com; 5 November 2009]

Florida sets citrus referendum

Florida Agriculture Commissioner Charles H. Bronson has announced that a referendum for citrus growers will be held this month to determine whether the Citrus Production Marketing Order will be renewed for another six years. Implemented following a similar referendum in November 1991 and renewed in 1997 and 2004, the marketing order generates funds for citrus research through an assessment on each box of fruit produced. The Florida Department of Agriculture and Consumer Services will mail ballots on Nov. 16 to those who produce and market citrus. The ballots must be returned to the Department no later than Dec. 9, 2009.

Under Chapter 573, Florida Statutes, the referendum must win approval by a majority of the growers voting — who also represent a majority of the acreage of those voting — for the marketing order to be renewed.

[southeastfarmexpress.com; 4 November 2009]

Major fruit exporters call for lower indicative prices in Ukraine

The major exporters of exotic fruits to Ukraine - South Africa and Venezuela - have sent a claim letter to the Ministry of Economy of Ukraine protesting against a recent increase in indicative prices, Ukrainian media reports.

The Embassy of South Africa has already confirmed the fact of sending the claims, refusing to specify the details citing commercial confidentiality. In turn, the importers are already discussing the conflict. According to them, the Ukrainian government should reduce the indicative prices on fruit imports. Otherwise, the suppliers will file a complaint against Ukraine in the World Trade Organization.

"Ukraine is violating the requirements of WTO in terms of market access for fruit importers, creating artificial barriers for us" - said the President of the Association of Fruit Importers Alexander Kalistratov.

Earlier, several companies, specializing in fruit imports, has filled similar claims to the Ministry of Economy: "Since August this year, the Customs Service of Ukraine is requiring to carry out customs clearance of fruits at prices that are twice higher than the actual purchase prices of importers," – according to the importers. Thus, the Customs Service is trying to generate additional profits to the budget. Recall that the duties on exotic fruit imports, has been removed after the country's accession to the WTO. The only tax applying to importers is VAT (20%), calculated on the basis of declarative amount.

[foodbizdaily.com; 5 November 2009]

Citrus prices on FreshPlaza.com and AGF.nl

Please click on the link below to display these prices which are average Free on Truck prices in Euros recorded in the Dutch fresh produce market and can be taken as an indication for the European situation.

http://www.freshplaza.com/price-watch/archief/2009/citrus_week40-09.pdf

If you need more information on any of these issues, or if there is anything else that CGA can assist with, please contact us at 031 7652514, or johne@cga.co.za

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