GLOBAL CITRUS SCAN (15/2010)

John Edmonds (21 May 2010) Citrus Growers Association (CGA)

Exchange Rate at 14:28 R/$ 7.93 R/€ 9.92 R/£ 11.4

Maersk imposes congestion surcharge on SA boxes

South African fruit exporters complain that the container line is adding insult to injury by imposing the US$75 per TEU charge.
[ReeferTrends; 20 May 2010]

Opportunities in early and late varieties of tangerines for the U.S.

The U.S. market is still looking for quality among its suppliers, Mayda Sotomayor, CEO of Seald Sweet presented the perspectives of citrus in the U.S. market, Items such as quality, convenience, safety, and traceability are the elements that are being demanded more and more by consumers in the U.S… Ms. Sotomayor highlighted that South Africa has slowly been losing ground to direct competitors such as Chile and Peru. However, to achieve real impact in the market, providers who want to reach the U.S. market should maintain a standardized and consistent volume of production. For Peru, in particular, it would be very difficult to enter the U.S. navels market, particularly because of the increased production of both Chile and South Africa. Apparently there is a need for seedless clementines / murcots, mandarin varieties early in May / June and late September / October.
[FreshPlaza.com; 17 May 2010]

Peru: opportunities "for tangerines to Japan and China"

Export to South East Asia including China, means exporting to a number of completely different markets. A lot of Asian countries have handled the global financial crisis very well and for this they may still be an excellent destination for exports…Ms. Quiroz of - iQonsulting highlighted in her speech the development of Asian markets. Six destinations China, Hong Kong, Indonesia, Japan, South Korea and Malaysia, representing the bulk of fruit imports…In Asia the main suppliers, in addition to the locals, are Australia and South Africa but there will be open windows when other Southern Hemisphere suppliers ensure quality in the case of Japan, and a continuous distribution in the case of China. In China the best-paying markets are the southern ones and a good strategy could be to start off with these markets and go north slowly
[FreshPlaza.com; 14 May 2010]

Peru: The opportunities for citrus in Europe and the UK

Mr. Guy Dixon of Martin Navarro told about the export potential of Peru with reference to its competitors and he also spoke about the importer potential of European customers. According to the variety, oranges and so-called "Easy peelers" would occupy an additional space in Europe. Particularly in the new EU members, oranges have not yet arrived in the amounts required by the demand. For Easy Peelers, again new members of the EU, Japan and to a smaller extent Russia and the U.S could increase their consumption. In contrast, the Grapefruit seems to have reached its peak of consumption and the market might be saturated. Amongst the suppliers in the southern hemisphere, South Africa and Peru would be competing for the same market, the freight data rates stated by Mr. Dixon would seem to indicate an advantage in freight costs by Peruvian exporters to the European market with Germany, France and the United Kingdom as the largest consumers. There is only one demand from customers: QUALITY, Mr. Dixon stressed.
[FreshPlaza.com; 14 May 2010]

AU: Fruit flies swat export hopes

Two new outbreaks of Queensland fruit fly have been detected at Strathmerton and Eldorado in northern Victoria, while in NSW Hillston fruit growers are reeling after flies were caught in traps during the past two weeks. The Hillston outbreak is particularly significant, as the area produces a third of the citrus in the Riverina. Riverina Citrus liaison officer Darren Gibbs said the only areas still free of fruit fly were Narrandera and Leeton, with the remainder of Riverina growers now needing to cold-sterilise their fruit to be eligible for export. Mr Gibbs has been delivering free fruit fly traps to businesses, hoping to keep fruit fly numbers under control.
[weeklytimesnow.com.au; 19 May 2010]

Brazil forms world's largest orange juice company

Brazilian orange juice manufacturers Citrosuco and Citrovita announced earlier this week their plans to merge to form the biggest orange juice producer in the world with sales exceeding two billion reais ($A1.23 billion). Chief Executive of Citrosuco Tales Lemos Cubero told Estado news agency that after the merge, the new company will have the capacity to produce 25 per cent of all orange juice in the world. The two companies Citrosuco and Citrovita will each have 50 per cent stakes in the new company. The two juice giants combined have six factories in Brazil and one in the United States, eight shipping terminals at ports and eight ships.
The top orange-producing country is Brazil, followed by the United States, and Mexico. Brazil is the world's biggest exporter of orange juice.
[www.ausfoodnews.com.au; 20 May 2010]

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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