GLOBAL CITRUS SCAN (40/2010)

John Edmonds (26 November 2010)

Citrus Growers Association (CGA)

Current Exchange Rate	**R/$ 7.05**	**R/€ 9.40**	**R/£ 11.12**
Last Week:	**R/$ 6.99**	**R/€ 9.50**	**R/£ 11.15**
Last Year:	**R/$ 7.40**	**R/€ 11.09**	**R/£ 12.32**

Where is the fruit?

The packaging of certain products simply reminds consumers of the nutritional value of fresh produce, without delivering the benefits. This situation is not unique to Europe. A similar study in the US concluded that nearly two-thirds of highly-advertised children's food products with images or references to fruit on the package contained little or no fruit and were high in added sweeteners
[Freshfel; September 2010]

South Africa: Seedless Lemons Disappoint *(translated)*

The world's first seedless lemons developed in South Africa are not meeting expectations according to farmers in the Sunday's River Valley. The question is whether all new citrus cultivars which command royalties are adequately tested before they are released commercially. Seedless fruit is mostly sought after in Western countries where it attracts premium prices. Thus it was with some excitement that Mr. Pieter Nortje of the farm Sitrusrand in Kirkwood became aware that the world's first seedless lemons known by the trade name Eureka! SL and established in 1998 by the Agricultural Research Council (ARC) had been selected and made available for commercial use at the Musina experiment farm. From his previous experience with the seedless Valencia cultivar, Delta and with late mandarins, he realized that his risks would be greater because seedless types are generally more harvest sensitive, but with good orchard management good returns could be achieved. "The question every farmer must ask is whether the expected premium will compensate for the smaller yield. With most new citrus cultivars, you must rely on the specifications as presented to you by the distributors. There are no established areas where the history of the relevant cultivars can be researched. If a farmer complains later when the cultivar has not performed, then the plant breeders' argument is that if you hit the jackpot you as farmer would have realized the benefits. On the other hand the farmer expects that, because he has paid royalties the cultivar will fulfill the specifications. In contrast to the days when there were strict state directives and it took years before new cultivars became available in the trade, the emergence of plant breeder ownership in the last decade has evolved into a money-making scheme…"
[Landbouweekblad; 12 November 2010 – original article available on www.cga.co.za> what's new]

Peru: Citrus fruit, by-product exports grew 28%

Citrus fruit and citrus fruit by-product exports rose 28 percent between January and September this year, compared to the same period last year, and stood at US$71.6 million driven by increased shipments of fresh citrus fruits…Fresh citrus fruit exports showed a greater dynamism (32.8 percent) reaching US$ 56.3 million due to increased shipments of tangerine (46.7 percent)… citrus peel exports (25.3 percent) with shipments worth US$4.7 million. Meanwhile, foreign demand for products grew by 8.6 percent driven by increased shipments of essential oils (12.4 percent) and juice (4.6 percent) totaling US$10.6 million. The main destinations are the United States and the United Kingdom, respectively, with increased demand for tangerine, tangelo orange, juice and oil.
[andina.com.pe; 24 November 2010]

Spain: Price fall threaten citrus market

Despite the great quality and size, a slowdown in citrus sales, especially orange, is denounced by the association ASAJA Alicante. Also, export prices appear to be too low. Just two weeks ago the citrus export season for the 2010/2011 marketing year to the United States and foreign countries began. However, producers say they are not experiencing good times, as one kilo of citrus fruit does not exceed 0.20 € / kg at origin. Producers are so disappointed that they are threatening not to harvest or sell the crops so to achieve improvements in price - Agronoticias.es reports. Also sale transactions have been suspended. The situation is serious, considering the economic situation and that citrus exports are a major source of income in many Spanish regions. Lemons are now being sold at 0.25 € / kg. This value has been decreasing steadily since the start of the campaign in early October, when it was sold at 0.40 € / kg. Farmers are therefore not even covering production costs. The Department of Agricultural Economics of IVIA Technical Institute has developed a detailed study which reveals that in the last two decades, prices at origin of citrus fruit have fallen by 50%. This situation clashes with prices effectively paid by consumers.
[greenmed.eu; 24 November 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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