GLOBAL CITRUS SCAN (04/2011)

John Edmonds (4 February 2011) Citrus Growers Association (CGA)

Current Exchange Rate	**R/$ 7.19**	**R/€ 9.88**	**R/£ 11.63**
Last Week:	**R/$ 7.05**	**R/€ 9.67**	**R/£ 11.23**
Last Year:	**R/$ 7.46**	**R/€ 10.41**	**R/£ 11.92**

[www.oanda.com/currency/converter]

Uncertainties around Chinese citrus farming

The Yebo Africa Trading Hall was formed by Chinese businessmen to facilitate trade between Africa and China. But since the announcement was made, organised agriculture's questions have gone unanswered. Justin Chadwick, Citrus Growers Association CEO, said, "We've made several attempts to contact the relevant people at the Alfred Nzo District Municipality to get more information about its agreement with China, but it was to no avail. "One of our main concerns is the apparent lack of research that went into the project before the agreement was reached. The reports we read stated that the plan was to produce citrus to be exported to the US. But citrus from the Eastern Cape cannot be sold in the US because of citrus black spot disease which occurs in this area. Only fruit produced in the Northern Cape and Western Cape as well as in some areas in the Free State can be exported to the US."A number of reports quoted Eastern Cape Development Corporation spokesperson Ikhona Mvaphantsi as saying the Chinese company was looking at cultivating a minimum of 500ha of land and that at least 50 local farmers would benefit directly, while more jobs would be created from primary production and spin-offs in packing, transportation and skills development. Farmer's Weekly earlier reported that Agri SA deputy president Dr Theo de Jager questioned the Alfred Nzo District Municipality's decision to partner with the Chinese company while local businesses and organisation have failed to get provinces to agree to partnership programmes suggested by organisations such as Agri SA itself….It was also unclear exactly how smallscale farmers in the area would directly benefit from the proposed farming activities. Nandipa Bam, CEO of the Eastern Cape Development Corporation, referred questions to the Alfred Nzo District Municipality who provided a written response which suggested that there was an "off-take agreement" for pomelo fruit for the Chinese market. However, it didn't explain why a Chinese company was chosen rather than a local business or agricultural organisation. But it did clearly state that communal land would be used for the project.
[www.farmersweekly.co.za; 18 January 2011]

Argentine citrus firms expect 30% jump in exports in 2010-11

Two northeastern Argentine citrus cooperatives expect to send 30% more fruit this year compared with last season, according to local newspaper El Libertador. The groups from the Corrientes province — Cooperativa San Francisco Ltda. de Monte Caseros and Cooperative Exportadora Citrícola de Corrientes de Mocoretá – sent 800,000 cartons of oranges and mandarins from the area in 2009-10, according to the newspaper. Corrientes and Misiones, the neighboring province, are the principal citrus growing areas in Argentina. Miguel Rosbaco of Cooperativa San Francisco attributed the high hopes to beneficial weather caused by La Niña. "It was very hot, which rather complicated the development of the fruit, but recent rains help a lot, as well as irrigation systems. Therefore, we have good quality fruit," he is quoted as saying. Most of the citrus fruit from Corrientes is exported with a seal of origin. The rest is consumed fresh in the internal market or sent for processing into juice, the website said. The principal markets for citrus from Argentina are Europe and Russia, according to the U.S. Department of Agriculture.
[www.freshfruitportal.co; 2 February 2011]

AU: Growers preparing to export red grapefruit into Japan

Australia's red grapefruit producers are gearing up for their first chance to export fruit into Japan. Access to the lucrative market has long been denied because of the possible threat of fruit fly, but development of cold disinfestation treatments means Australian growers now meet the strict quarantine standards required by the Japanese. The Ord Valley region in Western Australia is home to Australia's largest red grapefruit plantation of 80,000 trees. The plantation is currently in the hands of administrators and receivers, after the Rewards Group collapsed last year, but picking will still go ahead… in the Ord Valley is set to begin at the start of March. Yields are down slightly on last year, but Mr Dobson is predicting the Rewards crop will produce around 1,600 to 1,700 tonnes. He says the average price for red grapefruit on the domestic market last year was around $26 a box (13 kg), and is hopeful of a premium price for fruit exported to Japan.
[abc.net.au; 3 February 2011]

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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