GLOBAL CITRUS SCAN (39/2011)

John Edmonds (21 October 2011) Citrus Growers Association (CGA)

Brand and Crop Changes in Store for Aussie Citrus Industry

Whether it be exchange rates, weather, quarantine inspection charge hikes or the impacts of the carbon tax, Australia's citrus industry has the odds stacked up against it...At PMA Fresh Summit in Atlanta, Citrus Australia chair, Chapman told www.freshfruitportal.com about the likely trends that will be coming up down under in the years to come...Chapman says she'd like to emulate the unified and concerted efforts of citrus-exporting countries like South Africa. "We're trying to get everybody to come on board with some brand that really does push that it is Australian citrus," she says...Her comments come at a time when the industry is faced with a myriad of challenges, from the value of the U.S. dollar to every farmer's life support and burden – the weather. "It has been a hugely difficult season, not the least of which being the exchange rate…On top of that there are the weather issues – because we've had the best rainfall ever over the last growing season that brings its own issues. "It brought humid climate down to the southern areas, which means we've had to start looking at treatments that we've never done before...Chapman says Australian farmers are resilient and can deal with difficult weather. Working with the government bodies though is a different story, after the Australian Quarantine Inspection Service (AQIS) recently raised quarantine charges exponentially without delivering on its cost-saving promises... "It's dealing with government, how hard can it be? It's about the hardest thing we can do." She says the Federal Government's new carbon tax will significantly raise freight costs, which the farming industry will have to bear. In addition, farmers won't get carbon credits for their trees because they use fertilizer on them. Citrus Australia had its first national citrus quality standards out this year, which Chapman says has been well-received by the public. "The response to those has been amazing, and that will continue through the Valencia season. It's all part of making sure the consumer gets that great eating experience every time, because there's nothing worse than picking up a bad piece of any produce…In terms of 2012 forecasts, the current conditions are looking good for a healthy crop...With plantations on the rise, Chapman makes the bold claim that mandarins will overtake Navel plantations in Australia over the next 10 years."They've done very well this year and they've held up some very good prices. Once again the Murcotts had quite a good crop and are now starting to fight for that shelf space with the Afourer and things like that – plantings of Afourers worldwide have been phenomenal... "Now it's probably only 5% of production – mandarins themselves are about 28% - I would it will probably increase perhaps 100-fold in the next five years, I couldn't even begin to guess how much. It's a very heavy-bearing tree. It is a big yield so there is absolutely no doubt in my mind that if you go 10 years down the track, Afourers will be outproducing navels."
[www.freshfruitportal.com; 21 October 2011]

EU: "Prices of oranges not bad"

The borders are closed and the supply of oranges from overseas has stopped. Up to the 15th of October the citrus came from South Africa, Argentina, Uruguay and Brazil and now the waiting is for Spain. The market is now being served with oranges, which are still in stock. "The last few weeks a good number of volumes still arrived and that is good, because we need citrus for the coming 6 to 8 weeks" a trader tells. "There is still quite a reasonable stock now." He does not expect a shortage. "Perhaps it will become less plentiful, but in any case the price will keep." "The market is not bad especially not for juice oranges" the citrus specialist continues. "At the moment prices are between 11 and 14 euro for juice oranges and also for eating oranges 14 euro is still being received."
In South Africa the harvest is finished. "They had a reasonable season." It is striking that foreign countries exported more to Russia, but they are now hesitant about it. Many things went wrong there this year and prices are bad as well, because too much fruit went there." The first Spanish Navelina's are expected within about two weeks. "As far as temperature is concerned it is not going too well in Spain. It is between 25 and 28 degrees and far too warm for this time of the year. The oranges need a lower temperature to colour properly. It is not low enough." The trader tells that growers will start stoking. "They try with this to colour the oranges, but they will remain yellowish and not nicely orange.
[Gerard Lindhout; www.freshplaza.com; 19 October 2011]

Argentine growers set to seduce Brazilians with juicy oranges

Argentine exporters are confident their oranges will be snapped up by Brazilian consumers in 2012, website Lacalle-online.com reported. Northwest Argentina Citrus Exports Chamber executive director Mariano Caprarulo, said he expected the market to be a good one….We know that next season we can start sending tangerines because everything is approved," he was quoted as saying. One of the benefits of exporting to Brazil would be that oranges could be transported by land saving export costs, he explained. He also stressed the importance of the U.S. where he was looking to finalize sales agreements, adding that despite the recession prices per box fetched twice that of Europe.
[www.freshfruitportal.com; 18 October 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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