

GLOBAL CITRUS SCAN (22)

John Edmonds (13 July 2012)



Citrus Growers Association (CGA)

Argentina: Frost damage extensive in mandarins

Recently there was a wave of reports of frost damaging lemon production in Argentina. However, far from being limited to one product the damage was quite extensive and has had an effect on the country's citrus production for the year generally. Juan Martin Gonzalez Pita, of Salix Fruits, says that the country's mandarin yield is looking at a significant reduction this year. "It's all down to the frost," he says. "The volumes this year will be around 60% down. "The damage is so pronounced because so many important producing regions were affected, including Misiones, Corrientes, Entre Rios and Buenos Aires." As may be expected in the circumstances, such a drop is taking its toll on the prices, as Juan explains, "The prices this year should be up around 25% on last year's asking." Juan says that the remaining fruit is of mixed quality. To some extent there is frost damage to the fruit that survived, but there is also good quality fruit. There are hopes that growers will receive some support to help them through this difficult time, but this has not been confirmed at this stage.

[www.freshplaza.com; 12 July 2012]

Argentina: "We are optimistic because we continue making progress"

Carlos Parravicini, General Manager of Argenti Lemon, a company under All Lemon, the quality seal for Tucumán lemons, which involves 15 firms, talked about the damages caused by the uncontrolled rise of costs in dollars. The 2012 citrus campaign suffers a 20% delay compared to last year; the quality of the fruit harvested and exported is good; the European Union appears to be a shrinking market; Argentina is losing competitiveness due to higher costs... These days we are shipping 20% less than exactly a year ago. This has been caused by a delayed harvest (due to late rains in April), and also by a lack of balance between internal costs and the prices we are being paid. The problem is that those receiving our dollars are getting delayed values, which is negative for us. The beginning of the campaign was discouraging; later it improved slightly and these days the European Union and Russia are receiving our fruit... The fruit is clean and healthy. It is really good. But the time lost due to the campaign's late start cannot be recovered. What some exporters do is saturate the market, which ends up having an impact on the prices we get... Last year, the price of a Dollar was 1.40 Euro; nowadays it has gone down to 1.25, so we are suffering many disadvantages... The European Union and Russia, the markets where Tucumán lemons are being introduced, have their own characteristics and challenges. Russia, for example, has a much more unified structure for lemon commercialization. They set the prices and that's what they pay us for our shipments... The problem is that Argentina is very weak when it comes to achieving commercial advantages, for example, for the quality of our fruit, despite the fact that our country has a great worldwide influence. That weakness will be overcome when we achieve adequate revenues for our sales... The whole Argentinian agricultural sector is losing competitiveness around the world, because we are under the pressure of an uncontrollable rise in costs. The external context has a great impact, but even stronger is the impact of our own internal problems. For example, the salary increase reached an average of 25%, while the exchange difference rose only between 6% and 7% annually... We are optimistic because we continue making progress and contributing to generate wealth for Tucumán. We hope that our activities will receive more protection due to our high impact on employment and work creation. We must all protect citriculture: producers, marketers, governments and institutions, etc. because of its great capacity to attract and attend the needs of its workers.

[Lagaceta via FreshPlaza.com; 12 July 2012]

Spain: Horta's farmers change citrus crops for subtropical

Reinvent yourself or die. This is the premise that followed many farmers in the region of L'Horta Nord, who before the overwhelming fall of orange prices have decided to go to the cultivation of tropical fruits, which are much more profitable. Many farmers in the region have been replacing citrus crops for subtropical fruits. This is the case of Vincent Claramunt, delegate of AVA in Albalat dels Sorells, who grows persimmons in orchards that were previously engaged entirely in oranges. "Many of us have changed to the cultivation of persimmon as an alternative, because it is not profitable to only plant oranges. In fact, today there are many abandoned orchards in the region, about 25%, because we do not get enough to cover costs," says Claramunt, who warns that if in three or four years the situation has not improved "L'Horta Nord will be a whole forest of abandoned fields."

[Elperiodicodeaqui.com; 11 July 2012]

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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