GLOBAL CITRUS SCAN (17)

John Edmonds (17 May 2013) Citrus Growers Association (CGA)

Spain: Hunting For Illicit Early Clementines Growers

The owners of the production rights of four patented varieties of early clementines took measures in Spain in order to force illegal growers of this product to uproot or legalize their illicit plantations by paying the royalties.
The four varieties are: the Clemenrubi or PRI-23 (property of Avasa nursery), the Clemensoon (Anecoop), the Cultifort (of the namesake city of Pego) and the Valsol (Luis Batalla). These three varieties are the spontaneous mutations of the Oronules variety, which derived from the Clemenules; they have the shared characteristic of being the clementines to ripe the earliest and that are picked, in most cases, from the first days of September. For this reason, they tend to reach high prices on the market, a condition that pushed many citrus growers to implant them on their crops. Producers interested in these varieties usually go to nurseries to buy the first plants and pay an amount already inclusive of the royalties… But there's another illegal way to reproduce these varieties: by grafting stolen plants on another citrus variety, and this happens especially where there's a lack of controls. Producers acted as they have always done, resuming an old custom in the agricultural sector: whoever wanted to graft, simply took twigs from other crops and insert them on their own trees. Considering the proliferation of illegal plantations, the owners of the four varieties decided to act together so that illicit growers won't make it through by sustaining to produce a different variety as in these cases it could be difficult to identify it…The 4 producers commissioned the work to the specialized company…Those who will voluntarily regularize their plantations will pay 2.5 euros per plant while those who don't will be forced to do it and to pay 5 euros per plant. If these measures won't receive positive results, authorities will behave as already done with the Nadorcott variety: a judiciary charge with request of reimbursement and mandatory uproot of illegal plantations.
[Lasprovincias.es; 5 May 2013]

Middle East: South African lemons in big demand

The Middle East market for South African citrus is good at the moment. David Pearce from South African exporting company, GF Marketing, says lemons have been in big demand since the beginning of the season, but he admits that in the Eastern Cape, the biggest lemon producing area in South Africa has had problems with black spot so more will go to the Middle East. The lemons are currently selling at US$ 16.00 FOB for 15kg class 1 - count 113/138, Pearce said there will be no '2nd pick' this year so there will be no late lemon volumes, "We are expecting lemons to remain well priced for the remainder of the season." The first volumes of grapefruit were shipped to the Middle East in week 14, but the demand there is not big and the fruit is currently selling at US$ 8.50 FOB for 15kg class 1 - count 50/55. Navels are also shipping at the moment but only small volumes are going to the Middle East. Pearce explains that customers are adopting a two-tier pricing strategy. "Customers do not want poor colour early Navels and those poor colour early Navels are selling for $6.50 FOB. For 15kg class 1 - count 72/88 and good colour early Navels are selling for $8.50 FOB." The Middle East is oversupplied with Egyptian oranges and currently Valencia are selling at much lower prices than South African Navels, Egyptian Valencia are full orange in colour and very sweet and these oranges do have an effect on the overall market demand for Oranges." Currently, last shipments of Spanish/US Lane Late are on the water. Everyone is hoping for a good market for South African Navels this season. Easy-peelers are selling well and limited volumes are being shipped to Middle East. "People are concerned about the extra volume expected due to the CBS fears South Africa is facing in Europe."
[Freshplaza.com; 14 May 2013]

Increased Moroccan citrus shipments affect Spanish exports

The Moroccan citrus sector, whose orange production has been estimated this season at 1.49 million tonnes, has set Russia and Eastern Europe as its main objectives; a strategy which puts them in direct competition with Spanish exporters. The African country managed to ship almost 200,000 tonnes of mandarins to Russia last season, which is a 52% increase over previous campaigns, and this year they expect to grow, despite the fall in production caused by droughts, by another 8%, according to a report from the United States Department of Agriculture (USDA). Meanwhile, Spanish citrus exports to Russia (including oranges and mandarins), amount to 61,568.8 tonnes so far this campaign, which is 6% less than in the same period last year…Sources from the Valencian citrus sector confirm the strong competition in the Russian market, as well as in Turkey and other Eastern European countries, which are becoming increasingly more interesting for the citrus sector as a result of the market saturation in the European Union…The "Green Morocco" plan aims to quadruple the production of olives and double that of citrus, with prospects to produce up to 3.19 million tonnes annually from 2020, through subsidies and tax incentives for these crops. The World Bank has guaranteed loans of 150 million Euro for the sector, while investment funds in agriculture have also been announced. The modernisation project in Morocco has led to a 32% growth of the country's agricultural GDP between 2008 and 2012 compared to the 2005-2007 period, according to the Moroccan Minister of Agriculture.
[Levante-emv.com; 7 May 2013]

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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