GLOBAL CITRUS SCAN (33)

John Edmonds (13 September 2013) Citrus Growers Association (CGA)

US: South African Summer citrus going strong mid-season

At the half-way point in the Summer citrus season, South African Summer Citrus (www.summercitrus.com) continues in high demand across the US. To date, more than 30,000 tons of citrus has arrived here. “There are several things which have made this season strong for us,” said Suhanra Conradie, CEO of the Western Cape Citrus Producers Forum. “First, virtually all domestic citrus products were gone from the marketplace when the first South African fruit arrived. This prepared retail stores to meet the consumer demand with South African citrus.” South African citrus exported to the US purposefully does not compete with domestic product, arriving in windows when homegrown citrus is no longer available. Another contributing element to the successful South African season thus far has been late arrivals to the US of other foreign products... “While rain delayed some of the South African vessels, other exporting countries were also impacted by weather. When other non-domestic product entered the US market, demand for the South African product was well-established and has remained steady to date.” A third factor has been the open flow of information among importers and retailers about the volumes that are arriving. “This is unique to the fruit industry,” said Ms. Conradie. “We are very detailed to assure all our partners have what they need and know when it is arriving. Combined with the reliable quality of the South African citrus products which has been established over the years, this focused discipline results in satisfied consumers, retailers, importers – and growers!” Ms. Conradie projects that the remainder of the season will be consistent with the beginning half as the Midknight oranges have begun arriving in the US...There are a number of promotions underway with retail stores to highlight the Midknights and encourage consumers to include them in school lunches and snacks... This is the 14th season of citrus shipments from South Africa to the US and average annually +/- 40,000 tons. It comes primarily from the region near Citrusdal about two hours Northwest of Cape Town, the Northern Cape near Kimberly, and the Northwest along the Orange River, near Upington.
[www.freshplaza.com; 12 September 2013]

Ailimpo expects 11% increase in Spanish lemon production

The 2012/2013 season came to a close with a production of 820,000 tonnes and satisfactory results for both producers and exporters. The sector trusts that the coming campaign will also bring a good outcome despite the fact that Turkey's competition is expected to become even fiercer. As Spain's strongest points, Ailimpo highlights its reliability as a supplier, its service, its food safety standards and the excellent quality of its lemons. Ailimpo's first lemon harvest volume estimates point to a production of 910,000 tonnes; an increase of 11% compared to the 820,000 tonnes of the previous campaign. This will, in any case, be subject to the evolution of the calibres, which will vary depending on the possible autumn rains. The increase is being observed on two varieties: Fino and Verna…The start of the campaign will be marked by the premature end of the Southern Hemisphere season (Argentina, Uruguay and South Africa), perceived as positive, while Turkey's competition, which expects an increase in production volumes during the first half of the campaign, is the most prominent negative factor. Turkey is currently favoured by low production costs, funding from the Government granted to exporters and the strong devaluation of the Turkish lira, whose value fell by 19% compared to the Euro over the past year. The Spanish lemon campaign will begin, as usual, in late September, with production volumes becoming progressively larger.
[www.freshplaza.com; 11 September 2013]

Citrus exporters explore opportunities in Indonesia

Severe barriers are holding back the export of South African fruit to Indonesia which could be an attractive market for SA citrus. Most imported fruit (except from those countries with a mutual recognition agreement) is prohibited from using the port in Jakarta. Transport costs alone add US$ 2 000 per container in getting fruit through the port of Surabaya to Jakarta, sometimes adding three days to the delivery schedule, according to the Citrus Growers’ Association. And although congestion in Jakarta is listed as the reason for this ruling, locals state that congestion and delays are far worse in Surabaya. According to the CGA, the impact of the Indonesian regulations on the import of fruit is very evident in Jakarta supermarkets where imported fruit is hard to find and extremely expensive. “In the citrus category even local fruit was expensive – and the quality was dismal,” according to the CGA’s Justin Chadwick. A delegation from Fruit South Africa visited South East Asia recently and the first call was Indonesia. “Home to over 250 million people, this country of 17 000 islands presents an attractive but difficult market for South African fruit. South Africa is fairly far down the path of the process for mutual country recognition, and the DAFF representative on the delegation was able to hand across to the Indonesian authorities a comprehensive data package required as part of this process. An invitation to Indonesian authorities to visit South Africa will follow,” he said.
[www.ftwonline.co.za; 9 September 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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