GLOBAL CITRUS SCAN (34)

John Edmonds (12 September 2014) Citrus Growers Association (CGA)

California navel estimate could be off

Department of Agriculture California navel volume forecast is likely skewed too high, according to a leading industry group. About 1.6 million tons of navels will be produced in California this year, 4% less than last year, according to a Sept. 11 estimate from the USDA's National Agricultural Statistics Service. But that estimate doesn't take into account losses from severe drought, and therefore is likely high, according to a news release from Exeter-based California Citrus Mutual. USDA researchers had no way of knowing whether their fruit-set and limb counts this year were affected by the drought or if trees have been removed, Joel Nelsen, Citrus Mutual's president, said in the release. "After canvassing a significant number of producers and shippers, CCM believes the crop estimate is high," Nelsen said. "We know acreage has been removed from production, but getting figures for a range has been difficult. We know the lack of water has affected fruit size during the growth stages, but surveying 126,000 acres is almost impossible. All of this affects the number of cartons ultimately packed."
[www.thepacker.com;11 September 2014]

Florida citrus growers deal with less production

Citrus greening has hit the citrus industry in Florida especially hard. Because it's difficult to control the spread of the disease, costs continue to increase while production decreases...Estimates from the USDA Agricultural Statistics Board in July put the 2013-2014 Florida orange crop at 104.4 million boxes, which is a steep drop from the previous season's production. It's expected that this season's orange crop will be 30 million boxes smaller than what was harvested during the 2012-2013 season. Though there are several factors that have contributed to what will most likely be a smaller crop this season, the biggest one seems to be the citrus greening disease growers are battling. "Depending on which estimates you look at from independent consultants, this could conceivably be the smallest orange crop in 52 years," said David Brocksmith of Seald Sweet International. He added that it's a balancing act growers have to do with battling the disease, which increases production costs and, ultimately, the prices consumers pay, and maintaining Florida citrus as a top produce items. "You don't want to chase away the consumer, but this is going to raise prices," said Brocksmith. "We still have very healthy demand around the world for Florida citrus, and there's still a large market to serve, but people will have to pay more for it." Grapefruit production is also expected to take a dip, with this season's volume expected to reach 15.7 million boxes. If accurate, that would be smaller than the 2012-2013 crop by 2.7 million boxes. "Less production will certainly affect our two major export markets, the Pacific Rim and Europe," noted Brocksmith. "We're recognized as the better grapefruit in those two markets, and we want to hold on to our market share, but price points will have to be higher because of increased production costs. It will be a balancing act how the grower can make a profit and keep the consumer happy with a price point at which the consumer can continue to purchase product."
[www.freshplaza.com; 10 September 2014]

Spain: Valencia to harvest 11.5% fewer mandarins and 5% more oranges

The Region of Valencia's citrus harvest campaign which is now starting will record a slight 2% drop in production compared to the previous season, according to estimates by the Valencian Growers Association (AVA-ASAJA), which were released yesterday.

The mandarin production will drop by 11.5%, especially in early and mid-season varieties, while oranges should register a 5% growth. The organisation believes that the objective market conditions arising from these prospects should allow growers to negotiate acceptable prices. However, AVA-ASAJA warns that certain members in the food production chain are taking advantage of the Russian veto to lower prices, which puts pressure on growers. These speculative movements result in prices for certain varieties falling by between 5 and 10% compared to the same period last year. The president of AVA-ASAJA, Cristóbal Aguado, considered it essential to make a clear call to all producers to "stand firm and not give in to such forms of pressure that are not justified in any way, neither by the current objective conditions nor by the market prospects. Considering that last season was a disaster, that this year there is less fruit on the trees and that droughts have forced us to increase our energy costs by 20% to be able to irrigate the fields, it is fundamental to defend decent prices that can allow us to continue living off agriculture."
[www.freshplaza.com; 12 September 2014]

Argentinian citrus prepares to enter Vietnamese market

During the last week of August, a delegation from the Plant Protection Department of Vietnam toured the production, packaging and certification areas of the Argentine fresh citrus sector, as part of the negotiations to open the Vietnamese market conducted by Argentina's National Health Service and Food Quality (SENASA)...The Argentine agency reported that Vietnam's entourage was satisfied with their visit, as they had praised the way in which SENASA implements the certification process and the work being done by producers and packers to get quality products. The only steps remaining to open the Asian country to Argentine fresh citrus are that the Vietnam's Phytosanitary Service sends SENASA the final report of their visit as well as a proposal of phytosanitary requirements so that it be reviewed by and agreed upon by the Argentinian agency.
[www.freshfruitportal.com; 8 September 2014]

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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