# GLOBAL CITRUS SCAN (12)

John Edmonds (30 April 2015) Citrus Growers Association (CGA)

**Southern Hemisphere citrus exports to remain flat in 2015**

Ongoing competitiveness issues in Argentina mean bigger crop will not result in significant increase in exports. Citrus production in the Southern Hemisphere is set to increase by 18 per cent to 7.1m tonnes this year according to the latest estimates from the Southern Hemisphere Association of Fresh Fruit Exporters (Shaffe). Despite the sharp rise, exports are forecast to remain broadly flat, increasing by just 1.7 per cent to 2.6m tonnes. The figures exclude Chile, which is in the processing of readjusting its estimates in the wake of the recent drought. The higher production volume is due mainly to the recovery in Argentine production following last year's shortage, but this will not be translated into higher exports due to the general macroeconomic conditions that continue to affect the competitiveness of the country's exports, Shaffe said...Lemon exports are expected to see the biggest rise, climbing 4 per cent to 436,000 tonnes, while soft citrus and grapefruit will increase by 3 per cent to 424,000 tonnes and 230,000 tonnes respectively. Orange exports are set to rise by 0.3 per cent to 1.35m tonnes. In Australia, mandarin output is expected to rise by 25 per cent due to favourable growing conditions and new plantings reaching maturity, coupled with 2015 being an "on year". Lemon production is also increasing rapidly, while the country expects to see an average Navel crop through the peak season, with lighter volumes towards the end of the late Navel season. In Peru meanwhile, the Satsuma harvest will be lower this year, although some of the shortfall will be offset by new cultivation areas coming into production. The country's Minneola acreage continues to decrease while planting of late mandarins is increasing.

*[Freshplaza.com; 23 April 2015]*

**Secrets to success in the US citrus market**

A more open attitude towards citrus black spot is emerging in the US, and this market should soon open up to SA producers countrywide. Piet Smit, a director of the Western Cape Citrus Producers' Forum, spoke to Glenneis Kriel at Farmer's Weekly about the need for a coordinated marketing strategy...The Americans are starting to see citrus black spot as less of a threat. They seem to agree with South African scientists' findings that citrus black spot won't spread through exports. Final export standards and conditions still need to be clarified and agreed upon, however, before fruit can be exported to this market. This market opened up for navels from black spot-free regions in South Africa in 1999. Everybody involved – from the producers to the exporters and importers – lost a lot of money during the first two to three years...We seemed to have got everything wrong: quality, size, volume, timing and the market...A closer look at the Australian sales techniques showed that they used a multiple-channel, single-desk marketing strategy...We embarked on a marketing campaign to establish South African Summer Citrus as a brand. Individual producers and exporters could still use their own brands, but citrus that complied with our strict specifications on internal quality and physical appearance could also sell their fruit under this new brand name. In addition, we exported our fruit only during the US off-season, between July and October, to avoid competing with the local market. These interventions definitely paid off – South African navel exports grew from 1,74 million cartons in 2011 to 2,14 million cartons in 2014. Clementine exports over the same period grew from 262 515 cartons to 438 020 cartons...The production window is shortening because Californian producers are planting more early and late citrus cultivars...In addition to this, the citrus market is undergoing fundamental changes as new items replace the long-standing favourites. Oranges, for example, are being systematically replaced by more compact seedless and easy-to-peel mandarins. Mandarins have increased by 89% in dollar sales, from around US$350 million (R4,1 billion) in 2009 to about US$680 million (R8 billion) in 2013. Orange sales in terms of value in dollars fell from US$790 million (R9,3 billion) in 2010 to below US$760 million (R8,9 billion) in 2012 and partially recovered to US$765 million (R9 billion) in 2013.

*[www.farmersweekly.co.za; 29 April 2015]*

**Citrus workers strike in Argentine province**

Citrus farmworkers in the Argentine Tucumán province have begun strike action due to a dispute over pay, website lanacion.com.ar reported... pickers and packers belonging to a regional division of the Argentine Union of Rural Workers and Longshoremen (Uatre) began the strikes on Monday (April 27). The strike action reportedly involved blocking roads and burning tires in protest..Uatre is reportedly demanding pay rises of 40% for the workers, while sector representatives are not willing to go above 30%...Tucuman Citrus Association (ATC) president Roberto Sánchez Loria told lanacion.com.ar that due to the less favorable exchange rates, the sector was not able to agree to the wage rise demanded by the union...

*[Freshfruitportal.com 28 April 2015]*

**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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