GLOBAL CITRUS SCAN (36)

John Edmonds (16 October 2015)

Citrus Growers Association (CGA)

U.S.: Who stands to gain what through TPP tariff reductions?

The historic Trans-Pacific Partnership (TPP) deal struck earlier this week is poised to boost the U.S. agricultural export industry, but some markets are prepared to let their trade barriers down far more quickly than others. New fact sheets released by the U.S. Department of Agriculture (USDA) provide a summary of what can be expected from the other 11 Pacific Rim countries, and what specific commodities stand to gain. Current U.S. free trade agreements with Australia, Chile, Peru, Singapore, Canada and Mexico mean horticultural commerce with these markets will be largely unaffected. However, the TPP provides new market access for U.S. fruit and vegetable exports to Japan, Malaysia, Vietnam, New Zealand and Brunei…Vietnam currently has import tariffs in place for citrus, with grapefruit, lemons and oranges all currently between 25-30%. However, the ratification of the TPP would see duty on grapefruit and lemons eliminated in three years, and fresh oranges in four years. Tariffs on citrus juices, currently as high as 25%, would be phased out in five to eight years. Japan would get rid of its orange import tariffs within six to eight years. As for Malaysia, tariffs for oranges and citrus juices are locked in at 0%, and duty on grapefruit and lemons would be eliminated immediately. Peru's import tariffs for citrus fruit and juices are set to be phased out by 2018 under an existing trade agreement. Florida tops the list of U.S. citrus-growing states, followed by California, Texas and Arizona…
[freshfruitportal.com; 8 October 2015]

Big drop in Florida orange volumes

The USDA estimated early-mid varieties at 40m boxes, down from 47.4m boxes at the end of last season, while the Valencia orange total is 40m boxes compared to 49.3m in 2014/15. In 2014/15, the final Florida orange crop tallied 96.7m boxes, according to the USDA. "We expected the estimate to be lower than the prior year so this really isn't too much of a surprise," said Michael Sparks, executive vice-president and CEO of Florida Citrus Mutual. "We are in a challenging time right now with severe disease pressure…
[Fruitnet.com; 12 October 2015]

End of the Southern Hemisphere lemon season

Different situations were experienced in the markets of the United States and Europe this season. During this week and the previous were recorded the latest considerable arrivals of Southern Hemisphere lemons in the markets of the United States and Europe. In the first market the Chilean supply dominated the market with an historical volume of 33.400 tons shipped until week 41, exactly two times the volume shipped in 2014. Most of this volume was shipped in the first half of the season, which made the market price lower than the previous season, but at the same level of 2013. In the European Continent market (minus the U.K. and Russia), the situation was more stable. Argentina recovered the volumes lost in the 2014 campaign, while South Africa showed a slight increase in their shipments (+15%). The market had a stable behavior throughout the season. In the first half, the market presented similar prices for the supplies from South Africa and Argentina, higher than those for the last remains of the local supply. In the second half, South Africa got the best prices, especially at the end of the season, followed by Argentina, Uruguay and Chile.
[Freshplaza.com; 10 October 2015]

India: Higher lemon prices due to greater demand

The lemon production in western parts of India, namely Gujarat, which is the country's largest grower, is currently low, which combined with high demand (boosted by high temperatures) is resulting in higher prices than last season, of about 1 dollar per kilogram, reports Mr Naresh Boghara, of the Indian company Jagdamba Farm, specialised in the production and supply of a wide range of agricultural products. India exports its lemons mostly to Arab countries, like Oman or UAE, "since distances are not great and Gujarat has a good amount of ports, which makes exporting to these countries very easy." Also, "compared to other countries, the customs rates are really good," explains Mr Boghara. Furthermore, when it comes to the use of pesticides or fertilizers, "the conditions in these countries are profitable for business." He explains that lemons in India are mostly used for the production of a drink consumed when temperatures stand between 32 and 35 degrees, although they are not that popular as a culinary ingredient.
[Freshplaza.com; 16 October 2015]