GLOBAL CITRUS SCAN (2016_16)

John Edmonds (28 April 2016) Citrus Growers Association (CGA)

"High lemon price is not sustainable"

Lemons and some early Navel oranges, grapefruit and easy-peelers have been shipped to the Middle East market from South Africa so far this season. The volume of lemons shipped to the Middle East so far this season is up on last year according to one exporter, the export also got under way earlier and in an effort to procure fruit, exporters have driven the price very high. "These high prices are not sustainable and the exporters will not be able to pay the growers what they have promised at the end," according to the exporter. "But the fruit is moving quickly in the markets. So, to sum it up, so far so good."…there will still be large amounts of small fruit on the market but Europe is looking for more small fruit this year so it will balance out. Lemons are currently selling at US$ 18.00 FOB for a 15kg carton class 1, Navels are US$10.50 and Clementines US$10.50 per 10kg carton. The trader said there will be plenty of 50/55 size grapefruit for the Middle East so it will not be short in supply, however, other markets may well be short…

[Freshplaza.com; 26 April 2016]

Spain: Lemons more than twice the price of last season

The Verna lemon campaign kicked off about two weeks ago, with a harvest volume between 50 and 65% smaller than in the 2015 season, mostly due to the heat wave recorded during the blooming and setting stages, which mainly affected the late varieties and also had a negative impact on oranges such as the Valencia or Navel Lane Late. Consequently, the Verna lemon production period is expected to conclude between the last week of May and early June…According to the Prices and Markets Observatory of Andalusia, they range between 1.00 and 1.10 Euro per kilo, while at the same time last year they stood at an average of 0.43 Euro per kilo.

[Freshplaza.com; 26 April 2016]

Spain: Orri mandarin production to triple in a few years

With its first working campaign almost completed, the Orri Running Committee (ORC) has warned that there are no plans to increase the number of licensed trees in Spain and Portugal, set at 1.3 million trees for both countries…ORC has started working on the defence of the interests of its more than 360 associated producers, conducting inspections in order to detect unregulated farms in partnership with The Enforcement Organization, SL (TEO)…Given the youth of many of these plantations, the production marketed during the season that is now ending has been estimated at about 26,000 tonnes; figure which could be tripled in a few years and reach 80,000 tonnes. The characteristics of this late mandarin and the business strategy based on controlled supply have allowed the Orri to be sold in the premium segment, with record prices at origin (between 0.8 and 1.1 Euro/kg) and destination (3.6 Euro/kg on average)…

[Freshplaza.com; 25 April 2016]

Far East Asia is discovering Israeli red grapefruit

…Early data from this season shows more than double the amount of exports from Israel to East Asia countries. The last few years have seen a downturn for Israeli red grapefruit; both prices and demand in Europe have been low and the lower exchange rate of the Euro has cut into profits. The Russian market has also decreased significantly due to the economic situation in the country and the drastic drop of the Rouble. With those destinations struggling, the focus of the exports has shifted to other regions, of which East Asia has been most prominent. The vast majority of the fruit sent to that region is going to Japan, South Korea, and China. Israeli exporters have been sending grapefruit to China for many years, but the quantities of fruit sent there have doubled, while Japan and South Korea only began receiving exports in recent years but are already reaching large quantities…

[Freshplaza.com; 22 April 2016]

Indonesia: Argentina gains country of recognition status

After South Africa recently gained country of recognition status for Indonesia, another Southern Hemisphere fruit-exporting country has joined the club which also includes Australia, New Zealand, the U.S. and Canada. Late last week, Argentina's National Food Health and Quality Service (Senasa) confirmed it received confirmation of the decision from its Indonesian counterparts which will allow fruit exports to be shipped without certificates relating to pesticide residues and contaminants. Indonesian Fruit and Vegetable Exporter and Importer Association (Aseibssindo) spokesperson Hendra Juwono told www.freshfruitportal.com lab testing requirements for these residues could often delay shipments by up to two weeks. Senasa said the new recognition applies to Argentine grapes, apples, blueberries, cherries, pears, lemons, oranges, mandarins and grapefruit.

[Freshfruitportal.com; 20 April 2016]

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