

GLOBAL CITRUS SCAN (2016_19)

John Edmonds (20 May 2016)



Citrus Growers Association (CGA)

Peru: "Spain's lower citrus production has been good for us"

The Satsuma mandarin season will be coming to an end in the coming weeks with some conflicting results... "Demand is stable and has been much more active than in previous years. We believe that this is mainly because the harvests finished earlier than usual in the northern hemisphere, which prevented a concentration of supply. The reduction in the Spanish production caused prices to increase significantly," states Marianela Rodríguez, representative of CPF. "These record prices that we managed to get are relatively offsetting the decline in our production. We started the season with the prospect to export 350 containers, but we estimate that we will not reach more than 250, which is relatively low for an 'on' year like this one. El Niño has affected us, and even though prices are now becoming normal again, we don't expect producers to be significantly affected," continues Rodríguez. The harvest of the Nova and Tangelo varieties will start in the coming weeks. "The temperature is still a little higher than average, forcing us to have a more proactive attitude and to perform various checks every week to control the fruit's development..."

[Freshplaza.com; 18 May 2016]

Mekong Delta fruit prices rise

Drought and salt water intrusion in the Mekong Delta has caused a decline in fruit output, while the demand has increased, equating in higher prices... the price of citrus fruits such as oranges, mandarins and grapefruit has increased significantly because of high demand and lower output... Many grapefruit exports to Asia and Europe have halted because of the supply shortage, according to fruit enterprises in the delta. Ongoing saltwater intrusion from rivers has affected fruit orchards in the delta's coastal areas, causing many fruit trees to have their flowers and young fruits falling...

[english.vietnamnet.vn via Freshplaza.com; 17 May 2016]

Australia: Leading retailers to harmonize fresh produce safety schemes

Australia's top food retail companies will be streamlining their quality assurance procedures by the end of this year, in a Horticulture Innovation Australia (HIA) backed initiative that seeks to reduce costs for suppliers. In a release, HIA said the new scheme brings together quality assurance requirements for fresh fruits, vegetables and nuts under the one umbrella as ALDI, Coles, Costco, Metcash (IGA) and Woolworths under the same umbrella. "Currently, major supermarkets each have their own specific food safety requirements, which can result in time and cost inefficiencies when dealing with multiple retailers," HIA said. "This more efficient auditing process will lower the cost of doing business for the industry, which is estimated to save growers, producers and the extended supply chain around (AUD)\$40 million per year combined. The agreement means retailers will accept one of the Global Food Safety Initiative (GFSI) 'benchmark standards'... as chosen by the producer or supplier, and comply with 60 food safety elements; a figure that is down by 200 across all retailers."

[Freshfruitportal.com; 18 May 2016]

San Miguel bolsters South African operation

San Miguel has acquired two new farms in South Africa's Western Cape through its subsidiary San Miguel Fruits South Africa. The US\$5.6m investment will significantly increase the Buenos Aires-based citrus specialist's orange and soft citrus output and boost its offer for the US market. The two farms total 1,424 ha, of which 242 are currently planted with citrus and 269 ha have water rights. At present they produce around 350,000 cartons of citrus a year, with the potential to increase this volume to 470,000 cartons. Initially, Navel oranges will make up 54 per cent of output from Western Cape, with Valencia accounting for a further 27 per cent, mandarins for 18 per cent and lemons the remaining 1 per cent. The deal, which brings San Miguel's total acreage in South Africa to 1,061 ha, marks the latest stage of the company's expansion in Africa. In July 2015 it bought four new farms in the Sundays River Valley in the Eastern Cape... The company first entered South Africa in 2008 with the acquisition of a 400ha farm in the Sundays River Valley... In 2015, San Miguel exported 37,382 tonnes of citrus from South Africa, worth an estimated US\$30m. This accounts for approximately 40 per cent of the company's total citrus output... Founded in 1954, San Miguel has grown to become the Southern Hemisphere's leading grower and distributor of fresh and processed citrus with production in Argentina, Uruguay and South Africa. It exports to more than 50 countries.

[fruitnet.com/americafruit; ; 18 May 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

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