Global Citrus Scan (2017_42)

John Edmonds (2 November 2017)

Citrus Growers Association (CGA)

Better trade terms will improve access to Asia for citrus exporters

On Chinese Valentine's Day in Malaysia, women write their contact number on a mandarin and throw it into a river for men to retrieve as homage to ancient times when single women were not allowed to venture out of their homes, except on this day…Import tariffs, in place to protect domestic fruit producers, mean that Asia is experiencing a shortage of supply from citrus-producing countries in the southern hemisphere. The way around that problem is a trade agreement, but SA has the lowest number of trade agreements among competing southern hemisphere suppliers to Asia…Southern hemisphere countries such as Chile, Peru and Australia enjoy trade agreements with up to nine Asian countries — a grave illustration of SA's problematic position. These countries enjoy partial and even free trade agreements…They enjoy significant savings and are spared a lot of the bureaucracy that SA has to endure. The absence of required trade agreements — compounded by restrictive import tariffs — makes seamless exports to countries like China, Indonesia, Japan, South Korea, Philippines, Thailand and Vietnam much more difficult….Last October, Fruit South Africa…signed a memorandum of understanding with Wang Junbing, the secretary-general of the China Entry-Exit Inspection Authority and Quarantine Association. The citrus industry hopes that this will make for more stress-free export to China, especially when it comes to the required paperwork. China's mainland and Hong Kong are the biggest importers of SA's citrus fruit in Asia, with Hong Kong and mainland China importing 120,000 tonnes of citrus fruit annually…The Citrus Growers' Association's relationship-building and maintenance efforts with Asian countries cannot replace robust collaboration and effective communication between governments and industry to increase market share in Asia. The Citrus Growers' Association…represents approximately 1,400 producers of export citrus throughout Southern Africa (including Zimbabwe and Swaziland). It is also home to the R17bn citrus industry, with 92% of revenue from exports. This revenue has enabled the industry to put bread on the tables of 71,500 South Africans, through on-farm jobs and many more in downstream activities …On its own, the citrus industry is a small entity jostling for a piece of the fiercely competitive Asian market. But with more interventions and support from the government, this is an opportunity that can boost the industry and deliver sustainable jobs and opportunities. Until then, our efforts are about as strategic as a mandarin tossed in the river.
[Businesslive.co.za; 31 October 2017]

U.S.: Lone Star Citrus revitalizes grapefruit category with Millennial push

Texan company Lone Star Citrus' Winter Sweetz brand combined with consumer education around flavor and preparation has helped raise the profile of a traditional "baby boomer" fruit. During the Produce Marketing Association's (PMA) Fresh Summit event in New Orleans recently, marketing director April Flowers said the brand was launched a few years ago to stem the tide of grapefruit trending out of the top 20 fruit items in the United States…"We needed to re-introduce grapefruit as something new…Four months of research uncovered the fact consumers were fairly confused about grapefruit…"A big portion of that is teaching people how to segment and prepare grapefruit," she said. "…if you take the flesh out of the pith and the peel it's so much tastier…" The marketing executive also highlighted the fruit's health benefits and versatility in the kitchen. "This is a very low-calorie, low glycemic index fruit. There's lots of lycopene and Vitamin C. Half a grapefruit gives you a 100% of your Vitamin C – you can't ask for anything better than that…
[www.freshfruitportal.com; 30 October 2017]

Spanish oranges more expensive at season start

…The Navelina variety is currently being harvested and marketed and is finding a receptive market, with prices 20% higher than at the start of the previous season, mainly due to the drop in production expected this year. "We expect this year's orange production to drop by between 20 and 30%," explains Javier Ferrández, manager of Yafer Agrícola, based in Orihuela, Alicante…Although Spanish oranges currently share the shelves with the last batches of fruit from producers in the southern hemisphere, like Uruguay or South Africa, and even from Morocco, Javier does not consider those to be in a competitive position. …"For now, our oranges are not yet fit to be shipped overseas, but as soon as they can be exported to distant destinations, the European market will decongest. As long as there is enough cold, I think the market will absorb the volumes available without any problems," he states….Unlike oranges, Primafiori lemons, which started to be marketed about a month ago, have not been enjoying such lively sales. This is due, among other factors, to the lack of good marketable calibres. While the volumes of Primafiori remain similar to those of last season, a significant drop is expected in the volumes of the late lemon Verna, which will be harvested from April…
[www.freshplaza.com; 1 November 2017]