Global Citrus Scan (2018_33)

John Edmonds (13 August 2018)

Citrus Growers Association (CGA)

South Africa welcomes removal of citrus from high risk-list

South Africa has welcomed the outcome of a meeting of the European Commission's Committee on Plant Health in the week of 9 and 10 July 2018. During this meeting the proposal of eight EU member states (among them France and Spain) to introduce a category of high risk plants and products (which included citrus) under article 42 of the new plant health regime, was rejected. The new plant health regulations will come into effect by the end of 2019…The proposal submitted by France on behalf of Mediterranean countries would set a 'hard border', which means access is denied a product until proven it poses no risk, by placing constraints on certain categories of the incoming fruit trade. According to their proposal, commodities like citrus would as a matter of course be subject to the regulatory measures called upon during a moment of crisis, like the detection of Asian greening disease or HLB. This would, in terms of the World Trade Organisation, impose a measure inconsistent with the risk posed by the likes of citrus black spot. Not surprising, then, that Northern European member states have opposed the list of eleven products, which was later reduced to eight (excluding citrus) and is now left with a single item. The Southern grouping frames this rejection and decision, driven by Northern member states, as a lack of solidarity within the European Union, while within the South African citrus industry proposals such as the one submitted by France and Spain, are widely regarded as protectionism. "We had high hopes for this new proposal," commented the president of Valencian Association of Agricultural Producers (AVA-ASAJA) Cristóbal Aguado after the outcome of the committee meeting, "and unfortunately, [we] have been frustrated, once again, by the lack of solidarity of the northern countries…In 2013 he had called for the immediate closure of borders until such time as "South Africa is capable of guaranteeing the export of citrus with adequate plant health." Currently, CBS interceptions on South African citrus destined for Europe stand at zero for the 2017/18 season. The South African position is that CBS is not a quarantine disease and has never established itself during decades of South African citrus traded in Europe. Recently South Africa's stance was bolstered by the US decision that citrus from South Africa's CBS areas can in the near future be sent there, provided it is subjected to an import rule. "We're very happy and obviously we worked extremely hard beforehand to stop the proposal by providing scientific data on these products to EU member states," says Deon Joubert, South African Citrus Growers' Association's envoy for market access and the EU. "Our viewpoint is that it's not in the best interests of a fair and liberalizing world trade. Every affected market will react in turn and it will frustrate trade and ultimately economic growth. The world is already tinkering on the verge of undoing all the benefits of liberating agricultural trade in the late 1990s." "Within two years the CBS issue should be put to bed," opines a South African citrus industry expert and farmer. "It's a political issue."
[Freshplaza.com; 7 August 2018]

Peru boosts mandarin focus on U.S., China at expense of Europe

Peru has this season boosted late mandarin exports to the U.S. and China by around a third year-on-year, despite total volumes rising by a much smaller margin. The Peruvian Citrus Association said that by week 30, exports of the W. Murcott and Tango varieties were 4% higher than last season at 36,500 metric tons (MT).But it pointed out that despite the small rise exports had grown by 35% to the U.S. and by 30% to China. Its other main markets are the U.K., the Netherlands and Russia.
[www.freshfruitportal.com; 11 August 2018]

Citrus market holding ground despite limited supply

A limited supply of South African citrus is ensuring prices remain at a reasonable level. "Demand is not too high, but even though there are delayed shipments, the market is holding fast", says Conrad Rijnhout of VerDi Import from the Netherlands. "Prices are at around the EUR15 level for larger sizes in open-top boxes. For those in telescope boxes, it is at EUR12-13. So, these are satisfactory." "Current prices can be purely attributed to the supply. If there were large volumes available, the situation would be completely different", says Conrad…"Supermarket orange juicers stimulate sales considerably. Even when it is hot, a glass of orange juice is always welcome." He also categorises the lemon market as surprisingly good. "Everyone was afraid of an oversupply…Compared to last year, Spain is a demand market instead of a supplier. This has ensured smooth sales with good prices for Argentinian and South African lemons."
[Freshplaza.com; 9 August 2018]