Global Citrus Scan (2018_43)

John Edmonds 19 October 2018)

Citrus Growers Association (CGA)

Peruvian citrus breaks new ground

Strong demand in key markets like the US and China will help lift Peruvian citrus exports to a new record in 2018. Although the final-season tally is not yet in as the orange season is still in full swing, the latest data from Procitrus reveals a shipment total of 165,774 tonnes to week 35, compared to 144,684 tonnes for the same period of 2017. Mandarins, which make up the bulk of Peru's citrus export offer, grew 16 per cent to 129,036 tonnes. The category is spearheaded by Murcott, which continues to dominate the late season window in the Southern Hemisphere. "We were aiming for 15 per cent volume growth across the category and should achieve this," Procitrus's managing director Sergio del Castillo told Fruitnet…Europe once Peru's biggest citrus market, has been overtaken by North America which now absorbs 46 per cent of the export total. "I don't think that annual volumes to Europe will go down – on the contrary, they will continue to increase over time but at a much slower rate than in North America and Asia," he said. Asia in particular, is showing tremendous potential. China was the first market to open up in 2010, and now accounts for 6 per cent of Peru's export total. More recently, access has also been secured to Indonesia and Malaysia, while negotiations with Japan on the import protocol for Satsumas are due to be concluded sometime next year (unlike other markets, Japan negotiates access on the basis of variety). Talks are also ongoing with countries like Vietnam, Thailand, South Korea and the Philippines. "India is the latest Asian market with which we have started negotiations, but unlike other countries, the process has been very fast and we are already at a very advance stage and hope to sign the protocol very soon," said del Castillo. Once access to these markets has been secured, the biggest hurdle that shippers face is the cold treatment during transit, which subjects the fruit to a lot of stress and increases transportation costs, eroding Peru's competitiveness.
[Fruitnet.com/asiafruit; 16 October 2018]

"Going for China without good planning just because it pays well is very risky"

With the Spanish mandarin harvest already underway, the campaign ahead appears to be different compared to the previous one in terms of production, with challenges such as the increasingly tougher competition from Egypt, but also with opportunities in markets like the Chinese. FreshPlaza learned this during a visit to the facilities of Frutas Tono, in Benifairó de la Valldigna (Valencia). The Valencian company marketed a total of 140,000 tons of citrus fruits in the previous campaign. 60% of that volume corresponded to oranges and the other 40% to clementines…To be able to supply citrus fruits to its customers all year round, Frutas Tono mainly imports oranges from South Africa. These accounts for 6% of the total citrus volume they handle…"Regardless of how much we try to extend the domestic campaign, it is clear that we'll need to resort to importing for 6 to 8 weeks, until the arrival of our Navelinas. "Going for China without good planning just because it pays well is very risky"…We believe that there is a market gap for us between March and June, when we can supply orange varieties such as the Midknight and the Navel Powel. Also, depending on what South Africa does, Valencias could also be shipped."…"Egypt is gaining ground on the desert and becoming a tougher competitor. It is a fact that citrus production in Egypt is growing every year and that the country is becoming an increasingly fierce competitor for Spanish exporters in more and more markets. "In Egypt, large farms are being planted because they have the necessary land and water to do so. And most importantly, they also have cheap labor, and the technology in the warehouses is imported from Europe. Therefore, it is no longer a threat, but a reality. The Egyptian government is committed to gaining ground on the desert with the Toshka project, which will involve creating some 630 hectares of irrigated land for fruit and citrus. These new crops are going to grow at the edge of the Nile," says the exporter…"We must also keep the devaluation of the Egyptian currency in mind, as this has stimulated the country's exports even more…"
[Freshplaza.com; 17 October 2018]

Argentina's All Lemon hails successful end to 2018 season in U.S.

Argentina says it has concluded a successful 2018 export season, which saw its return to the U.S. market after a 17-year hiatus…Pablo Padilla of ACNOA said a lot of effort had been required for the return to the U.S. market, which has strict protocols in place for Argentine lemons, including that the fruit is picked green…He added that "agreeing on the correct work guidelines to carry out a successful campaign requires the collaboration of multiple actors and spaces, and we are proud to say that we have complied".Padilla said that Argentina also this year sent its first-ever shipments of lemons to the Japanese market.
[freshfruitportal.com; 17 October 2018]