Global Citrus Scan (2018_51)

Portia Gasa 14 December 2018) Citrus Growers Association (CGA)

South Africa asks EU to relax controls on its citrus exports

While the citrus sector demands that the safeguard clause of the free trade agreement with South Africa be activated for next summer and insists that the South African oranges and mandarins that arrive in the EU comply with the same phytosanitary and labor conditions required from European producers, the South African citrus lobby is demanding a looser phytosanitary control for the fruit they export. On November 27, a South African delegation suggested the European Union (EU) relax the controls that are carried out to prevent the entry of the black spot into the community. If this quarantine fungus (which is non-existent in Spain) entered the community, it would cause spots on the skin of the citrus fruit and make it commercially unviable.

South African exporters said the EU had only intercepted two shipments with black spot in this campaign and asked to manage this pest in a more economic way. However, according to business sources that were consulted about this, a year with less interceptions is not enough to change the protocol. The European Commission didn't accept the proposals, among other things, because the number of rejections in Brazil, Argentina, has been very high. According to South African exporters, the 119 million euro they invest in the treatment against the black spot is an astronomical cost at a time when their production is going up and when they have exported a record 800,000 tons to the EU. However, both Spanish exporters and farmers see the increase in exports as a threat to indigenous products; not only because of the threat of the arrival of the disease but also because labor costs in the countries of the southern hemisphere are much lower than in Spain, which is considered unfair competition. Business sources find it outrageous that South Africa calls for a reduction in the controls of the black spot. "The costs of complying with the protocols in the United States and Asia are very high but we must comply or we can't export." South Africa, which this campaign exceeded the two million tons of exports for the first time, plans to export 2.5 million tons in three years due to the increase in cultivated area.

[Freshplaza; 13 December 2018]

Spain calls for action as citrus prices slump

The Spanish government is to act to ease pressure on the market after what producers are calling a disastrous start to the 2018/19 campaign. The increased availability of Southern Hemisphere citrus – in particular from South Africa –has led to a collapse of prices of early mandarin and orange varieties in the European market. Agriculture Minister Luis Planas has pledged to look at plans to withdraw fruit for transformation into juice in accordance with existing operational programmes following requests from agricultural unions for the government to act. Ava-Asaja has called for the removal of 200,000 tonnes of fresh citrus from the market to revitalise the campaign, and is asking for the government to assign smaller sized fruit for processing and animal feed – a move that would cost around €30m.

At the same time, Elena Cebrián, the Minister for Agriculture for Valencia, urged the national government to demand that Brussels activate the safeguard clause in its agreement with South Africa which grants preferential treatment for citrus imports and will lead to the elimination of tariffs over the next five years. The increasing overlap between South African fruit and early Spanish varieties is causing alarm within the industry. Cebrián said the European Commission should monitor the commercial and phytosanitary impact of its agreement with South Africa more closely in order to protect EU growers.

[Fruitnet.com/Eurofruit; 14 December 2018]

Morocco expects record citrus yields in 2018-2019

With the majority of the harvest now complete, Post expects Morocco's citrus production for MY 2018/19 to reach an estimated 2.6 million metric tons, increasing 18 percent over the previous marketing year. Tangerine/mandarin production should increase by 14 percent over the previous year to 1.35 MMT, while orange production should increase by 18 percent to 1.2 MMT and lemon/lime production to reach 45,000 MT. Much of the increase in production is due to favorable weather conditions and increases in the area harvested as younger trees begin to bear fruit. Tangerine/mandarin exports should total about 585,000 MT while orange exports should reach around 190,000 MT…

[Freshplaza; 11 December 2018]