Global Citrus Scan (2020_21)

(John Edmonds 17 July 2020) Citrus Growers Association (CGA)

CGA calls for large levy increase

The Citrus Growers' Association of Southern Africa (CGA) has made an application through the National Agricultural Marketing Council (NAMC) to the minister of agriculture, land reform and rural development Thoko Didiza, for the approval of a substantially increased statutory citrus export levy for 2021-2024. The CGA said that it would result in increased grower investment to contribute towards a more inclusive, competitive citrus industry. The proposed new levy represents a 120 per cent increase over the current cycle ending in 2020 and translates to an estimated investment of R1bn over the four-year period. Applied on the exports of all citrus fruit, the levy has been in place since 2004 and will continue to be administered by the CGA. "The levy is an investment into ensuring the long-term profitability and competitiveness of the industry," said the CGA's Justin Chadwick…The details of the proposed new levy were presented to citrus growers across Southern Africa through a series of roadshows at the beginning of the year…Cornel van der Merwe, chairman of CGA, said he was pleased with the outcome of the vote, noting that it was a vote of confidence in the work of the Association. "Particularly the focus on research and transformation bodes well for the future of the citrus industry in South Africa."…According to the CGA 60 per cent of the new levy will be allocated to its subsidiary company Citrus Research International (CRI) to provide research and technical services to the citrus industry…Minister Dediza is likely to be happy with the application, once it lands on her table, particularly because of the fact that at least 20 per cent will be spent on supporting the development of black growers and their meaningful and lasting participation in the industry…The CGA will spend 20 per cent of the levy on market access. This includes gaining wider access to the US, China and India and also gaining new markets including the Philippines and Vietnam. It also includes assisting grower profitability and sustainability and working with government and other stakeholders to improve national transport infrastructure and logistics capacity, including operations at the country's ports.

[Eurofruit; 13 July 2020]

Spain set for larger lemon crop

Spain is on course to harvest a lemon crop of 1.25m tonnes next season according to the first forecast for the 2020/21 campaign released by Ailimpo on Friday. This initial estimate – a rise of 10 per cent on 2019/20 – is subject on the availability of water in summer and autumn rains, the interprofessional said. The Fino crop is expected to weigh in at 845,000 tonnes, an increase of 14 per cent year-on-year, with "optimal" sizes thanks to the good availability of water. Verna lemon production is forecast to reach 300,000 tonnes, a contraction of 2 per cent compared to last season…

[Eurofruit; 17 July 2020]

Covid shift worries RSA citrus industry

The shift of the Covid-19 epicentre from the Western Cape to the northern areas of South Africa is significant for the country's citrus industry. "This means that more people will be getting sick in the Northern Provinces including South Africa's leading citrus growing province, Limpopo, which could impact on the availability of harvesting and packing staff," said the Citrus Growers' Association (CGA) in its update to growers. The CGA said that, unfortunately, as the infection rates increase in the Eastern Cape and Kwa-Zulu natal, the work force at Port Elizabeth and Durban ports would be affected. "Talk about perfect storms – the storms that hit South Africa at the end of last week and this week were accompanied by other factors that will challenge the logistics of Southern African citrus for the next few weeks."…Diesel shortages, meanwhile, threatened to disrupt trucking of fruit as thieves compromised the Transnet fuel pipeline from Durban to the Reef, the association outlined. The illegal truck drivers' strike, which was accompanied by lawlessness and violence, meant that many transporters schedules were disrupted…It appears that Zimbabwean citrus growers' have their own transportation problems. "The Beit Bridge border post was closed for 24 hours for sanitisation – causing vehicles to back up for 10km, resulting in extensive waiting time, the association noted…exporters are encouraged to keep in daily contact with their logistics providers to reduce congestion, costs of storage and stress. The ports are going to be under pressure for the next few weeks and all should plan accordingly," the CGA concluded.

[Eurofruit; 17 July 2020]