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Safmarine supports decision to curtail Spanish threat to SA citrus exports

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Safmarine MD Dirk Hoffmann

International shipping business Safmarine, a member of the Maersk group, has come out in support of ceasing citrus exports to Spain, with MD **Dirk Hoffmann** noting that it was a sign of solidarity and that the decision would, in the long term, benefit the company as it protected exports to Europe.

“We are pretty much in the same boat. If South African industry is not allowed to export to Europe as a result of the strict protocols of the Spanish authorities in terms of

inspecting South African fruit, we lose out with our exporters,” he commented.

The Citrus Growers Association of South Africa in March decided to stop 2015 exports to Spain, citing unfair treatment linked to citrus black spot (CBS).

Hoffmann explained that the position was that Spanish inspection points targeted the country's citrus and more transparency was needed with regard to how these inspections were undertaken.

As a result of CBS, the South African citrus farmers were required to comply with costly and stringent sanitary measures to guard against the disease, despite the disease purely being cosmetic and not harmful to plants or humans. “There has [also] never been a reported instance of CBS being transmitted from one fruit to the next when being exported from one country to the next,” Hoffmann told *Engineering News Online* in a telephone interview on Tuesday.

Stopping exports to Spain, which accounted for about 3% of the South African citrus industry's exports to Europe, was seen as a "small price to pay" to protect the future of the South African citrus industry in Europe.

Hoffmann told Engineering News Online that the number of containers intercepted through Spanish ports last year was disproportionate to the number of containers being intercepted through other ports in Germany, the UK and the Netherlands.

Europe, representing between 44% and 46% of the country's citrus export market, remained the biggest market for South Africa produce, of which citrus is a large component, and the decision, taken in March, was not done lightly. "But if that market poses too great a risk to the entire crop being exported to Europe it makes sense to forsake the market."

Hoffmann said the country's citrus farmers' decision to stop exports to Spain had been expected for some time, especially since the European Union intercepted 35 shipments that contained CBS from South Africa last year.

As such, Spain was seen as too much of a risk by citrus growers, which would rather safeguard and work with authorities that would give them a "fair chance".

Hoffmann did, however, concede that countries had the responsibility to safeguard their own industries or, to an extent, their own population.

He explained that yearly citrus exports had only just started, with only one or two citrus exports to Europe completed, with the peak of the export season being in May, June and July.

Hoffmann believed that there may be a shift in trade lanes as South African growers looked to export to other markets instead.

"In the last ten years, we have seen a relative shift to the East with exports to South-East Asia and the Middle East, which each account for 20% of South African citrus, and we expect that trend to continue," advised Hoffmann. He said the absolute volumes of citrus exported to Europe had increased slightly, nonetheless, with South Africa's citrus exports having grown 7% year-on-year over the last ten years.

The demand from the East was attributed to increased population growth and disposable income, as well as change in diet.

"This is positive to the South African export market as it exposes the industry to a wider range of trading partners and opportunities," added Hoffmann.

This month, Trade and Industry Minister Dr **Rob Davies** reportedly said he regretted the decision the South African citrus growers felt they had to take to stop exports to Spain, stating that it underscored that Europe's objections were not about plant health but about restricting South African exports in favour of its own producers.

CBS was currently not found in areas with a Mediterranean climate, as such it was present in the Eastern Cape and the Northern production areas of South Africa, but not in the Western Cape. CBS was also, as a result, not found in Spain.

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