

Juan Greyvenstein – Safresco South Africa

Rebranded Safresco reaches record 2024 volumes

Running short on citrus has been a recurring theme among exporters this year. This state of affairs held true for all markets at some point during the season, and within Safresco especially for the United States and China, remarks Juan Greyvenstein, managing director of Safresco in South Africa. Two years ago Spanish grower and distributor Citri&Co acquired all of Argentine company San Miguel's fresh holdings, including the South African and Peruvian operations.

In South Africa, that accounts for 1,300 hectares of citrus and two packing facilities, concentrated in the Sundays River Valley as well as more than 30 associated growers in the citrus growing regions in South Africa. In Peru, Safresco has very similar holdings: 1,300 hectares between citrus, grapes and avocados as well as two packing facilities.

Lemons rally to a strong export season



"We have a strong basket of Southern Hemisphere fruit to work with," Greyvenstein says of the 150,000 tonnes exported from South America and South Africa. "Though Safresco is positioned to complement volume from South Africa, Peru, Argentina and Uruguay to better service clients, we were pretty short on the volumes we required this year, despite clocking up record fresh exports from South Africa."

The rebranding of Safresco was, he says, a highlight of the 2024 season, and it was received very favourably in markets which value brands highly – China, in particular, and the Middle East.

In the complex citrus season of 2024, real time citrus volume monitoring has played a crucial role in anticipating market behaviour and according to Anya Jaworski, Safresco market intelligence manager, this year the company collaborated with the Citrus Growers' Association to effectively monitor supply and demand in the European lemon market, thereby, she says, setting a standard in the citrus industry to target a good balance for both clients and producers.

Safresco's final shipments of South African citrus are leaving now. "From a market point of view, it went better than we had expected prior to the season. Especially lemons ultimately had a very good season. Though the commercial team of Safresco expected the second half of the lemon season to be stronger the returns are exceeding expectation. Oranges had a pretty good floor price for fresh sales with the excellent orange juice price, so if available options didn't compete with the juice price or had significant uncertainty in terms of returns, we decided in some instances to rather send fruit to the juice factory and reduce our risk ." This decision, in their case, is made easier by their stake in a juice facility in the Sundays River Valley.



South Africa is the "missing link" in their US supply

From Peru, Argentina, Uruguay and Morocco, Safresco already sends a significant amount of citrus and South Africa represents a bit of a "missing link" in

their US supply, he says. "We're definitely looking for associated growers in the Western Cape for our US programmes because this year we didn't obtain sufficient volume. We're actively looking to get more associated growers on board to service all the markets. This has been the first year since 2018 that we sent South African citrus to the United States: an area on which we're focusing hard and where we definitely see future growth."

Safresco has a keen focus on quality, he adds, and their aim is to increase the current 400 hectares under netting in South Africa to 700 hectares in the next few years, while simultaneously upgrading packing facilities.

They are trialing some early Valencia types for the Sundays River Valley and adding a few hectares to serve as general trial orchards.



Riverbend Farm of 500 ha in Addo is SAFRESCO's largest production unit

SA grapes & avos into Safresco's established channels

Though citrus is the core of Safresco product, it makes sense for the company to supplement the table grapes and avocados produced from Peru with volume from South Africa, starting this year.

"Our commercial team is very seasoned in grape and avocado sales," he notes. "We're always looking for new opportunities and though we'd be open to owning farms of avocados and grapes in SA as well, we are very comfortable with longterm relationships with associated growers, as long as we achieve stability of supply."

Greyvenstein acknowledges that the South African table grape industry is very competitive, but in a dynamic industry such as this, he says, there is always a gap for new entrants, especially for one whose grape marketing channels are well-established in a combination of markets in China, Europe and the United States. "The reality is we're not expecting massive volumes in year one or two. We're getting our South African grape and avocado business off the ground."

Safresco underlines its relevance to local retail clients whom they already supply with a significant volume of citrus through adding butternut, pumpkin, green beans, melons and watermelons grown in the Eastern and Western Cape.



"The Citri&Co Group as a whole handles more than 950,000 tonnes of fresh fruit annually, a large portion being Spanish citrus and melons and watermelons from Brazil. Volumes of this magnitude open doors for a company and it provides opportunities to conduct negotiations at a global level. That's definitely a benefit that comes our way as a result of our scale."

Safresco will be in Hall 3B at Booth 17 at Madrid Fruit Attraction.



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