

Floods in Spain disrupt orange supply, UK turns to South Africa and South America

Following devastating floods in eastern Spain, British retailers and wholesalers have commenced sourcing oranges from South Africa and South America ahead of the usual schedule. This shift aims to maintain consistent availability on supermarket shelves and address concerns regarding the quality of Spanish produce. The flooding has not only impacted oranges but has also severely affected persimmons, with the latter being more susceptible to damage due to their delicate nature.

Asaja, Spain's largest farming association, has reported that the agricultural sector in the Valencia region has incurred losses exceeding €1bn. The floods have caused extensive damage to agricultural output, infrastructure, machinery, and livestock farms, with entire fields being washed away. The situation has been further complicated by damaged infrastructure and a blockade by French farmers protesting a trade deal between the EU and Mercosur, although exports through France have since resumed according to Fepex.

Industry insiders have indicated that it is still premature to determine the full extent of the damage. The priority has been on clearing streets, with rural areas and fields being addressed last due to limited resources. The floods have arrived during a critical time for citrus and persimmon harvesting, exacerbating the impact on these crops.

In response to these challenges, a major UK retailer has reported sourcing oranges from South Africa due to difficulties in obtaining Spanish citrus. The wholesale price of oranges surged by more than 30% immediately following the floods, as noted by Jason Glass of All Greens. However, prices have stabilized somewhat with the introduction of supplies from the southern hemisphere. Brexit has added further complexity for UK buyers, introducing additional checks that increase costs and extend delivery times.

Cindy van Rijswick of Rabobank highlighted the pre-existing expectations of a below-average supply of oranges, with the floods potentially exacerbating supply pressures. Nonetheless, not all Spanish farms have been equally affected, with some retailers reporting minimal impact on their supply chains due to the geographic diversification of citrus cultivation beyond the Valencia region.

Despite the logistical challenges in harvesting and transporting the fruit, there is optimism that a significant portion of the citrus crop can still be salvaged, even in the most flood-affected areas of Valencia.

Source: The Gaurdian (<https://www.theguardian.com/business/2024/nov/23/spains-floods-force-uk-sellers-buy-oranges-southern-hemisphere>)

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The logo for Fresh Plaza features the word "Fresh" in a light teal, sans-serif font above the word "Plaza" in the same font. A thin yellow horizontal line separates the two words. To the left of the text is a stylized graphic of a yellow sun or citrus slice partially enclosed by a teal arc.