



Citrus Black Spot
Photo: Wikipedia

Late harvest oranges under intense scrutiny

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The European Union's (EU) decision to enforce stricter requirements on South African citrus imports, instead of a ban, has caused farmers to breathe a sigh of relief, but will result in costly measures to prevent the prevalence of Citrus Black Spot (CBS).

On 27 May, the EU's standing committee on plant health decided not to ban South Africa's citrus, but resolved to impose stricter conditions on imports. If the conditions are not met, a full ban could be imposed.

In response to the move, the Citrus Growers Association of Southern Africa (CGA) has set out stricter self-regulation measures to mitigate the risk of CBS occurrence in citrus exports.

Although the first 2014 citrus shipments left the country in March, late harvest fruit which is exported after the middle of July accounted for most of the 35 consignment interceptions made by the EU last year.

This, combined with the fact that as little as five CBS interceptions this year could result in a full ban, has seen the CGA placing stringent regulations on exporters who export in the late stages of the season.

"Orchards which produce fruit after week 29 of the season will be subject to registration, inspection and testing requirements," said Justin Chadwick, chief executive officer of the CGA.

Chadwick said that the CGA had conducted a number of

roadshows in citrus growing areas in order to introduce the new regulations to farmers.

Orange orchards which did not have a clean CBS record for the 2013 export season will not be allowed to export, while harvested fruit from an orchard that has been registered, which shows CBS symptoms, will be deregistered.

"Registered orchards must have conducted pre-harvest ethephon testing, and all orange orchards must be inspected for fruit with CBS symptoms," said Chadwick.

Chadwick said that problems found during ethephon testing could result in a significant reduction in trade volumes.

"We have never done ethephon testing before and we may find more instances of CBS, which would reduce trade volumes to the EU," said Chadwick.

Almost 1 300 orange orchards voluntarily withdrew from exporting to the EU this year.

"Just before registering, these farmers identified that there might be a risk of CBS, so it was a far wiser decision to lose that trade than to potentially have their whole production unit deregistered," said Chadwick.

The EU's regulations for the South African citrus industry are expected to be released during the first week of July, and will need to be enforced 20 days later.

"There is no feeling of dislike in the industry towards the EU. They are our biggest trade market, so we hope that we can comply with their regulations. Although it will be fairly difficult, we have all the structures in place to do so," said Chadwick.

Climate – a game changer

"The influence of the weather on agricultural risk management has always been a serious issue for fruit growers, but climate change is a 'game changer'."

This was the message from Ebbe Rabie, senior account executive from Jardine Lloyd Thompson SA, at the annual HORT-GRO Science Technical Symposium.

"Weather data is critical in assessing risks. We are seeing more insurance claims for extreme-weather conditions. Growers should not neglect their risk management programmes.

"Over the last decade forecasting has improved and underwriters in Europe and elsewhere in the world are aware of local conditions. The effects of climate change are no longer disputed and are now included in the modelling of risk scenarios. In the insurance industry we expect an increase in frequency and severity of weather events. We therefore encourage growers to plan early and budget for weather risk management."

According to Rabie the last two years saw poor underwrit-

ing results in all markets.

The only way to remedy the situation, he said, would be to follow collective buying programs for grower groups and better risk management - for instance the use of hail nets.

Traditional crop insurance relies on principle of indemnity, where losses are measured in the orchard after specific event. In contrast index-based insurance indemnifies farmers based on changes in an index rather than an assessment of the damage.

"Crop Insurance capacity and the products available are restricted in South Africa and the advancement of weather based index products and bespoke designed solutions are the future to sustainable risk management against climate change," said Rabie. "Choose an intermediary that understands the risks and has access to markets not readily available over the co-op or bank counter.

"Do not take the risk on your own balance sheet, it is just not worth it as cost effective solutions are available."