Mixed Fortunes for 2008 Season

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The 2008 South African citrus export season yielded a mixed bag of results with an initial strong pull from the markets due to excellent lemon and navel prices, and good grapefruit results in the earlier part of the season.

Early in the Valencia season signals from the marketplace prompted the Citrus Marketing Forum (CMF) into meeting on 12th August where discussion amongst grower representatives and exporters revealed that due to the high initial prices for Navel oranges and condition problems experienced with some Navel cultivars, stocks in the markets had built up and were likely to affect the prospects for the export of Valencia oranges. Growers and exporters were urged to consider very carefully the size of fruit to export and the markets to which they sent. This proved to be a timely intervention and the “spike” in Valencia exports at the end of the 2007 season which antagonized our European counterparts, was not repeated in 2008 as can be illustrated in the chart below.

Comparing 2008 exports from participating countries of the Southern Hemisphere Association of Fresh Fruit Exporters to 2007 there was an increase in exports to northern and southern Europe as well as the Middle East. UK volumes stayed constant, whilst Russia (E.Europe) and South East Asia received less.

South African grapefruit exports to all markets decreased from 2007 to 2008 except for Russia (up 24%). Lemon volumes to all markets increased, except to the Far East/Asia (down 18%). Navel volumes to N Europe (up 22%), S Europe (up 36%), Middle East (up 22%) and USA (up 33%) all increased at the expense of Far East (down 33%), Russia (down 20%) and UK (down 5%). Valencia volumes to northern Europe went up 8% as did those to the Middle East. Without the “spike” in week 38, Southern Europe ended down 24% having been 2% up as late as week 36. UK was down 9%, Russia up 1% and the Far East is up 4%. Soft citrus exports to Russia doubled, N Europe up by 31%, Middle East up by 23% and Canada up by 55%; UK down by 9% and the USA down by 40%.

The variety focus groups estimate their respective crops in March. Once the season starts they have monthly teleconferences where they review the season to date and revise their projections. 2007 proved to be a difficult year with respect to estimating export volumes out of South Africa with most citrus variety estimates well outside the 10% target variance. However the 2008 estimate proved to be extremely close to the final export volumes with the exception of lemons which were 18% over estimate. Grapefruit volumes were 1% under estimate, as were soft citrus. Navel volumes were 9% over estimate whilst valencias came close at 3%. Overall the total citrus exports were 5% higher than the original estimate.

Limpopo Region

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value chain they want to take part. We are now ready for land reform to take place as we have empowered the recipients of the land to make informed decisions on how to utilise the land. Both the claimants and farmers now await Government to do their bit to remove the last stumbling blocks by facilitating the actual land transfer for all the people of the region to individuals and collectively move on with their lives and face the opportunities of the future.