

AU: Citrus exports: increased value, rising volumes

There is plenty of optimism around Australian citrus growing at the moment, according to Judith Damiani, head of Citrus Australia. Ms Damiani has nearly finished a round of regional grower forums, with only Western Australia left to visit. "People are quietly confident they're going to have a good season. Last year we had a lot of wind blemish, but this year's seen better growing conditions," she said. "The fruit quality internally and externally is looking good."

The season, having started with domestic Imperial mandarins will continue with an estimated 250,000 tonnes of navel oranges, more than half of which are marked for export, from the Southern states from mid May. It will really shine when the value of exports is counted, as Ms Damiani expects the industry to beat the 2014 record of \$202 million, with a similar volume of between 120 000 and around 160 000 tonnes. "We're hoping we can increase both volume and value this year. We know there are challenges around, particularly from South Africa where they're expecting a difficult season, and we can't compete on price, but we offer different varieties. There are challenges out there and you never know how they're going to affect you until they do."

Most of the extra value is likely to come from China and Asia, where 80% of citrus exports go, and in particular China where there is demand for premium product, especially 'high convenience' citrus that peels easily such as mandarins.

The low Australian dollar has also provided confidence, according to Ms Damiani. "With a low Australian dollar, similar volumes to last year and increased demand (including lower tariffs due to FTA's with Japan and Korea) we're not sure we'll even have enough fruit to meet it all," she says. Growers are also pleased with the favourable combination of factors for exports. "Overseas markets are also looking promising with inventories from northern hemisphere countries at manageable levels and of course the lower dollar this year will help," says Greg McMahan, CEO of grower Sevenfields.

There will be more to come to meet future demand, as new plantings establish themselves, adding to the hopeful future outlook. "I've been in the industry a long time and it's been a while since I've seen new plantings to this level," Ms Damiani adds. "There is even virgin land being cleared for new citrus."

Source : <http://www.freshplaza.com/> 23/04/2015