FROM THE DESK OF THE CEO (44/13)

Justin Chadwick (1 November 2013)

QUOTE OF THE WEEK "You will make more allies in a week by getting yourself interested in other people than you can in a year by trying to get other people interested in you" Arnold Bennett

REASON FOR OPTIMISM

A number of people have questioned the optimism regarding last week's newsletter – sending out a reminder that EFSA still need to finalise the pest risk assessment (PRA). The final PRA is due out at end December 2013. The optimism is based on the fact that the world's leading experts on CBS have agreed that CBS does not pose a risk to the EU – since the opposite (i.e. if the international expert panel had not agreed on this) would have been bad news – this confirmation by the experts MUST be GOOD NEWS.

Logic also points to EFSA adopting the advice of the experts – let us follow the logic;

The EFSA panel produced a draft PRA – in that draft PRA the EFSA panel (made up of 21 panellists and 4 assisting with preparatory work) are authors of papers referenced in the DRAFT CBS PRA five (5) times. Clearly the EFSA panel relies on the work of others to assist in assessing risk. In the selfsame DRAFT PRA the EFSA panel refers to papers in their references section where the international panel is listed as authors on fifty seven (57) occasions. So clearly the EFSA panel holds a great deal of store in the science produced by the international panel. This international panel has concluded with a great deal of certainty that CBS is not a risk for the EU.

After calling for submissions regarding the DRAFT PRA (with the objective of ensuring that all pertinent information is considered and the correct assessment of risk determined) – the EFSA panel received a comprehensive submission from the experts who they have referenced extensively in their work; and these experts point out line by line, page by page where the panellists have gaps in their understanding and flaws in their interpretation. Now it may be awkward for the panellists to adjust their draft conclusion from that appearing in the draft PRA – but logic would indicate if the people whose work is used to reach a particular conclusion tell you that the conclusion is erroneous; it makes sense that this input would carry a great deal of weight.

Scientists value their professional credibility very highly, so there must be good reason for optimism.

There was also some concern regarding growers reducing CBS control measures as a result of an expected favourable outcome to the EFSA PRA – there is no reason for concern as growers are preparing their orchards as if the measure will still be in force in 2014.

ACTUAL VOLUME EXPORTED VERSUS INITIAL ESTIMATE

At the beginning of the season variety focus group members supplied estimated export volumes from their respective regions. These regional estimates were consolidated into a southern African estimate (including South Africa, Zimbabwe, Swaziland and Mozambique). Now that the season is complete – with small volumes of late Valencia still being packed, it is time to assess how accurate the estimations were. Four out of five of the focus groups achieved the target of being within 10% of the final packed figure – the total southern African citrus estimate was just 8% off.

The discrepancy between estimate and actual is largely due to the fact that this is an estimate on what will be packed for the export market; hence it takes into account a number of factors besides production. In 2013 CBS requirements in the EU meant reduced lemons being packed, while an improved exchange rate and favourable market conditions meant an increase in orange and soft citrus volumes. The increase in grapefruit volumes was largely production driven – with disappointing returns in many markets.

Whatever way you look at it 2013 produced a record export volume – 113 million cartons packed and passed for export [1.7 million tons].

[VOLUME IN 15 Kg CARTONS]	ESTIMATE 2013	PACKED TO DATE	DIFFERENCE
VALENCIA	47 687 700	50 880 016	+7%
NAVEL	24 857 390	25 417 988	+2%
GRAPEFRUIT	14 952 138	17 912 001	+20%
LEMON	11 140 405	10 560 832	-5%
SOFT CITRUS	8 177 105	8 427 368	+3%
TOTAL	105 055 663	113 198 205	+8%

PACKED AND SHIPPED

To Week 43 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2011	2012	2013	2012	2013	2013	2013	2012
Grapefruit	15.5 m	13 m	17.9 m	13 m	17.6 m *	15 m	17.9 m	13 m
Soft Citrus	6.9 m	7.6 m	8.4 m	7.6 m	8.4 m	8.2 m	8.4 m	7.6 m
Lemons	10.7 m	10.5 m	10.6 m	10.5 m	10.6 m	11.1 m	10.6 m	10.5 m
Navels	21.2 m	24.6 m	25.4 m	24.6 m	25.4 m	24.9 m	25.4 m	24.6 m
Valencia	41.4 m	47.1 m	50.9 m	46.3 m	48.3 m	47.7 m	50.9 m	47.2 m
Total	95.7 m	102.8 m	113.2 m	102 m	110.3 m	106.9 m	113.2 m	102.9 m

Swaziland and Zimbabwe packed - Grapefruit 1 million cartons; Valencia packed 2.9 million cartons. *estimate