



2023 ANNUAL REPORT



OUR MISSION

Supporting citrus growers to be globally competitive and maximising the long-term sustainability of its members



STRATEGIC OBJECTIVES

- ✓ Administer, fund and resource the CGA Group
- ✓ Gain, retain and optimise market access
- ✓ Fund, control and implement research and development
- ✓ Develop industry intelligence
- ✓ Provide product and quality assurance
- ✓ Engage with government and other stakeholders
- ✓ Assist growers' long term sustainability
- ✓ Drive industry transformation
- ✓ Facilitate efficient logistics

Citrus Growers' Association of Southern Africa

Reg. No. 2000/010147/08

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CHAIRMAN'S REVIEW

Hannes de Waal

The 2022 season holds few good memories. While markets were oversupplied at times, that was not a continuous observation.

This year it was published that 2022 established a record global volume for soft commodities. The burning issue for citrus producers, however, was a cost chain that went completely out of control, in particular, with the freight component escalating and resulting in negative returns to producers. The losses on farms were spectacular, dampening the industry's current aggressive development cycle. Apart from the rise in freight costs, service delivery was a further negative aspect, as shipping lines often omitted certain terminals. Transporting fruit all over the country became a normality and trucking became expensive, and often unavailable.

The industry faced enormous uncertainty following the invasion of Ukraine by Russia, as both countries represent important marketing opportunities and their populations are known to be citrus consumers. Furthermore, relationships between our countries are strong and we have enormous empathy with the people whose lives have been impacted. The consequences were far-reaching. One of the major shipping service providers withdrew its services, resulting in a near-impossible shipping situation due to the cost of freight to a low-paying market under stress. The lack of insurance, and other risk factors, continue to leave our industry vulnerable. We can only trust that the conflict will come to an end soon, and does not escalate further, although we must all be prepared for it to continue indefinitely.

The USA and EU financial authorities ensured a flood of liquidity in 2020 and 2021, which was evident in vessel delays and full warehouses on the American West Coast. Thereafter, the war,

as well as possible gluttonous spending, tilted the Western economies into extreme inflation. Other countries followed as a result of the hard commodity boom, and China shut its economy down to prevent COVID increasing amongst a vulnerable population. To counter this, interest rates showed rising trends. Despite these trends, inflation shows no signs of easing, which directly impacts the consumer and decreases consumer spending. Our industry should pride itself on selling 160 million cartons under such difficult circumstances.

Locally, areas in and around Durban suffered severe damage from an unusually violent storm in May 2022, and the container terminal, so important to our industry, could not be accessed for some time and suffered limited access. That, in turn, impacted vessel schedules.

South Africans are affected daily by the deterioration of infrastructure, including the railways, and ports, which contributes to poor service delivery nationwide. To address these issues, the CGA continued in its role by taking up these matters with the highest possible authorities and those in a ministerial capacity. Furthermore, the services of an international shipping consultant were contracted to extend expertise in this area and to advise on all possible alternatives for South African producers.



Market access remains the top priority. The CGA management continuously engages officials in the Department of Agriculture, Land Reform and Rural Development (DALRRD) to strengthen the relationships, especially after the implementation of a new protocol for oranges by the EU. Whilst this matter is heading for dispute resolution at the World Trade Organisation (WTO), stronger cooperation with the Department of Trade, Industry and Competition (DTIC), DALRRD, and even the Presidency, will be required in the future. The growth in crop volumes requires a different dispensation to guarantee smoother service in favour of the perishable product.

The season ended with a Transnet strike, despite the CGA warning Transnet management that they could not offer wage increases that are far below inflation and expect sympathy. While Transnet staff held their ground and received close to the increase they demanded, shipping was unfortunately interrupted and late producers experienced an awful sting in the tail. The matter was exacerbated by some European ports just not performing at all, even showing a lack of care for fast-moving consumer goods (FMCG) that demand speedy processing.

The only highlight from last season is that we still sold a record volume of produce, albeit for revenue that our industry could not survive on. There certainly was more fruit available for local formal and informal distribution channels in the southern African region, and whilst at times markets were flooded, it also showed strength. Furthermore, the industry is more galvanised in its efforts to solve these challenges and our faith is strong that we are doing what is right to take our industry forward.

The CGA board thanks management for the facilitating role it plays in that regard. We thank all role players that strongly contribute to the strength of our industry and further request their assistance in our quest for survival. We call on producers to be steadfast in their faith as we believe that the Lord will carry us through these extremely tough times.

Thank you for the honour bestowed on me to serve you in this capacity.

WE ARE CITRUSCENTRIC



Citrus
Growers'
Association
OF SOUTHERN AFRICA





CEO'S REPORT

Justin Chadwick

After the highs of 2020 and the lows of 2021, nobody knew what to expect in 2022. The Russian invasion of Ukraine on 24 February 2022 sent shockwaves around the world, and uncertainty prevailed as to the duration and impact of the conflict. What was to follow for 2022 was a season that will never be forgotten (for all the wrong reasons). The hits just kept on coming.

The initial impact of the invasion was disruption to the logistics supply chain to both Russia and Ukraine. Although shipping directly to Russia resumed after a short period, and eventually record volumes of southern African citrus were shipped to Russia, shipping to the growing Ukraine market was severely disrupted.

The logistics disruptions in 2022 were not only because of the Russian invasion. China's hard lockdown policies were largely responsible for significant congestion in ports around the globe – resulting in a shortage of both containers and vessels to service global trade. Shipping lines took advantage of this situation to hike freight rates to unprecedented highs. In the case of southern African citrus, these shipping rates meant that most markets yielded negative returns. Research by The Bureau for Food and Agricultural Policy (BFAP) revealed that four out of five citrus growers suffered a loss in 2022.

Many growers saw the writing on the wall as early as April 2022 and called on the CGA to convene a Grower Indaba. At this Indaba it was resolved that the CGA should explore options to address the increase in freight rates. Although the damage was already done by then, significant progress has been made to address the freight rate issue and bring about structural change in the shipping environment.

Sadly, the challenges faced by the industry did not stop at shipping rates. Unprecedented rains in April and May in KwaZulu-Natal had devastating effects on the city of Durban, washing away the access road to the Durban Container Terminal and halting shipping for several days. Fortunately, Transnet and the eThekweni municipality addressed the issue with the urgency the situation required, resulting in minimal disruption.

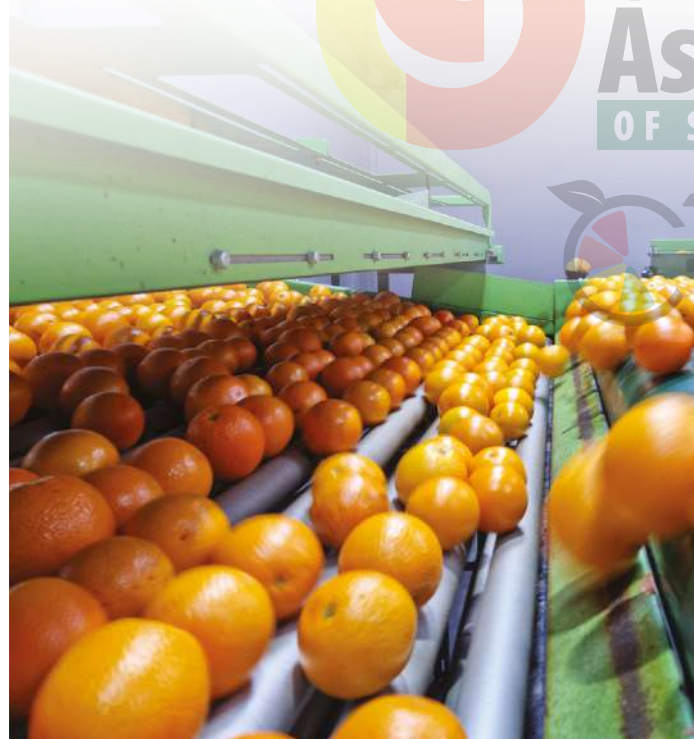
Just when one thought it could not get worse, the EU implemented new rules on the shipping of oranges. With no regard for scientific evidence, and despite a system that already ensured the appropriate level of protection, the EU proceeded to implement this new regulation after the 2022 season had started, with chaos ensuing. The EU themselves were not in a position to practically implement the regulations and member states were rightly confused. Hundreds of millions of rands were wasted as containers were held up at EU ports of entry and, in some cases, container loads of fruit had to be dumped. This was a low point in EU-South Africa relations, which culminated in Minister Patel filing a dispute with the World Trade Organisation. Unfortunately, by year-end, no progress had been made from the consultations resulting from the dispute process.



Yet, despite all these challenges, southern Africa exported a record volume in 2022, albeit at less than acceptable returns. The number of younger orchards (particularly lemons and mandarins) means that the volume available for export will continue to grow, with the long-term model indicating that volumes will increase to 260 million cartons in ten years' time. In this regard, the CGA board has adopted 'Vision 260' and identified eight projects that will drive the industry towards this growth target. This will be our focus going forward.

After a four-year hiatus, the CGA Citrus Summit resumed in March 2023 in Gqeberha, where over 600 delegates gathered to listen to a collection of great speakers and to discuss their challenges and opportunities.

At the summit, as at all CGA events throughout the past year, it was heartening to see growers come together while making plans for a better future, regardless of whatever the next year might send our way.



Vision 260

Justin Chadwick

At the October 2022 strategic planning session for the CGA board, the board members considered the long-term model results which indicate that southern African citrus volumes would increase to 260 million 15kg-equivalent cartons by 2032.

Despite the potential challenges posed by this outcome, the board members decided to take a positive view of the situation and determine the necessary activities to reach the goal of 260 million cartons.

Eight projects were identified as part of the foundation of Vision 260. They are:

- #1 Where will the fruit be marketed?
- #2 How will we get the fruit from packhouse to port?
- #3 How will we store the fruit before shipping?
- #4 How will we get the fruit effectively and efficiently through the port, and onto vessels?
- #5 How will we ship the fruit cost-effectively and timeously?
- #6 How do we ensure all stakeholders are aligned to enable Vision 260?
- #7 How do we communicate the plan, its challenges and opportunities, progress, and setbacks?
- #8 How do we collect, collate, analyse, and distribute information that is essential to make informed decisions?

The CGA staff is now mandated to create and implement plans to address the strategic questions at hand.



ADMINISTRATION

Tanya Ungerer

Governance

The Citrus Growers' Association (CGA) board of directors is elected by its members to represent their citrus-growing region for a two-year period. After two years, members may nominate a new or re-elect the existing representative to serve on the board. The board is responsible for governing the CGA and keeping its members informed about all matters related to citrus export markets. These matters include, but are not limited to, market trends, government regulations, and other industry-related news. In addition, the board works to ensure that CGA members are able to earn the highest possible revenue for their citrus, and have access to the latest technology and services for efficient production. By electing representatives to the board, CGA members can be sure that their voices are heard, and their interests are served.

The governance of the CGA during the year under review was carried out by twenty-three directors. This team comprised nineteen regional representatives, the director of government relations, the chairperson of the Finance and Risk Review Committee, and two emerging grower representatives – one from the north and one from the south of the country. This broad-based representation ensured that the various interests of CGA members were adequately taken into account when making decisions.

The National Agricultural Marketing Council (NAMC) is the government agency responsible for the statutory levy process, and the continuation of the CGA's statutory levy is dependent on the NAMC's approval every four years. The NAMC levies are used to fund the activities of the CGA, and it is important that the CGA remains compliant with the statutory levy requirements. A

representative from the NAMC is invited to attend CGA board meetings and the annual general meeting as an observer. The NAMC representative is able to provide an update on the current levy process, as well as assistance and advice on any changes, or issues that may arise from the levy process.

Hannes de Waal stepped into the shoes of chairman in April 2022 and will remain chairman until the end of March 2024. Cornel van der Merwe served as outgoing vice-chairman while Gerrit van der Merwe started his tenure as incoming vice-chairman for this same period.

CGA directors receive no compensation for their time and effort and give freely of themselves to attend board meetings. Their dedication to the citrus industry is greatly appreciated. During the year under review, Per Noddeboe of Eswatini and Jock Danckwerts of Eastern Cape Midlands completed 20 years of service on the CGA board.

Executive Committee for 2022-2023

Hannes de Waal – chairman
Cornel van der Merwe – outgoing vice-chairman
Gerrit van der Merwe – incoming vice-chairman
George Hall
Piet Engelbrecht
Jan-Louis Pretorius



Board Meetings

30-31 August 2022

Hilton Garden Inn, Umhlanga Arch

Apologies were received from Per Nøddeboe, Gerrit van der Merwe, Tommie Landman, Vangile Titi-Msumza and Mathilda van der Walt (NAMC representative).

25-26 October 2022 – Strategic planning session

Lemoenkloof Guest House and Conference Centre, Paarl

Apologies received from Per Nøddeboe, Bennet Malungane, Mike Woodburn, Jock Danckwerts and Andrew Muller.

14 March 2023

The Beach Hotel, Port Elizabeth

Apologies received from Smit le Roux, Hannes de Waal and Mathilda van der Walt (NAMC representative).

Annual General Meeting

The annual general meeting of the CGA Group of Companies (Citrus Growers' Association, Citrus Research International, Citrus Academy, CGA Grower Development Company, CGA Cultivar Company, and River Bioscience/Xsit) was held on the 30th of August 2022 at Hilton Garden Inn, Umhlanga Arch, Umhlanga.

BOARD OF DIRECTORS

Hannes de Waal	Sundays River Valley
Hennie Ehlers	Sundays River Valley
Jan-Louis Pretorius	Letsitele
Andries van Wyngaardt	Letsitele
Piet Engelbrecht	Senwes
Charles Rossouw	Senwes
Cornel van der Merwe	Onderberg
George Hall	Boland
Gerrit van der Merwe	Western Cape
Andrew Muller	Nelspruit
Guy Whitaker	Limpopo River
Jock Danckwerts	Eastern Cape Midlands
Marius Bester	Oranje Rivier / Northern Cape
Mike Woodburn	KZN / Pongola
Paul Bristow	Zimbabwe
Per Nøddeboe	Eswatini
Phillip Dempsey	Patensie
Smit le Roux	Burgersfort / Ohrigstad
Tommie Landman	Hoedspruit
Eric Nohamba	Emergent growers – southern regions
Bennet Malungane	Emergent growers – northern regions
Vangile Titi-Msumza	Government Relations
Rajen Govender	Chairman – Finance and Risk Review Committee



Orange Heart is the social responsibility initiative of the CGA. It provides a structure through which citrus growers and other industry stakeholders can contribute to uplifting and supporting the people of South Africa, especially people living in rural citrus-growing regions. The CGA sees the upliftment of those less fortunate and the promotion of rural growth and development, especially in citrus-growing regions, as critical to the well-being of the industry and the country as a whole. Through Orange Heart, we encourage and enable the grower community to get involved and lend a hand.

Orange Heart has two main initiatives, namely the Orange Heart Fruit Drive, and the Summit Outreach. The Orange Heart Fruit Drive was established in 2020 in an effort to alleviate the impact of the COVID-19 pandemic on many households. Fruit and other food donations from growers and packhouses were directed to organisations that distribute food to poor households.

Following the unrest in KwaZulu-Natal and Gauteng in July 2021, Orange Heart, through its Food Drive, was again ready to lend a hand to communities that suffered from the devastation. Food and fruit was distributed to stranded truck drivers and other people who were affected by the unrest.

In 2022, Orange Heart worked closely with FoodForward SA to distribute donated fruit to poor households. Twenty-six pallets of fruit were distributed to communities in KwaZulu-Natal during the year under review.

Under the outreach programme, mousepads and Citrus Academy audio-visual media were donated to the computer lab at Moses Mabhidha High School in Sundays River Valley. In November 2022, the staff of the CGA and Citrus Academy came together to pack fifty Santa Shoeboxes that were donated for distribution to underprivileged children.



COMMUNICATION

Tanya Ungerer

CGA Citrus Summit

The CGA Citrus Summit is held every second year, alternating with the grower roadshows. In March 2023, the Citrus Summit returned to the Boardwalk Hotel in Gqeberha for its fourth edition. The summit was a great success, with just over 600 delegates in attendance, comprising around 350 growers and 250 other industry stakeholders. The feedback from delegates was overwhelmingly positive, indicating that the overall event was a great success and that all the presentations were very informative and impactful. A full report on the summit follows further in this publication.



From the Desk of the CEO

The CEO's weekly newsletter is one of the most popular communication tools of the CGA, and is prepared by CEO Justin Chadwick every Friday throughout the year, barring two weeks over the Christmas break. The one-pager summarises the latest news, reports on current matters, and provides information on upcoming industry events. The newsletter is available in English and Afrikaans and anyone, not just growers, can request to be added to the mailing list and join the more than 4 000 recipients.

Should you wish to be added to this distribution list, kindly send an email to info@cga.co.za.

CGA Comms Tool

The CGA Comms Tool is an internally managed communications tool used to circulate information to various groups within the citrus industry. It is vital that growers and stakeholders keep us informed of any changes to their details, such as their email or postal addresses, ownership changes, or if they no longer wish to receive communication from the CGA. This ensures that our communications are up-to-date, relevant, and targeted to the right individuals.

We appreciate the time and effort taken to keep us up to date, and we thank all growers and stakeholders for their continued support. If you have any questions or queries regarding this process, please do not hesitate to contact us at info@cga.co.za.

Social Media

The CGA has a presence on various social media platforms and can be followed on LinkedIn, Facebook, Twitter, and Instagram. CEO Justin Chadwick's Twitter feed (@justchad_cga) is also a must-follow for those interested in staying up to date with the latest development in the citrus industry.

Follow us on social media

 **Citrus Growers Association of Southern Africa**

 **@CitrusGrowersSA**

 **@CitrusGrowersSA**

 **@citrusgrowerssa**



CGA Members Register

The Citrus Growers' Association (CGA) is in the process of compiling a comprehensive member register. This register will

enable the CGA to communicate more effectively with citrus growers in southern Africa. All citrus growers in South Africa, Zimbabwe, Eswatini, and Botswana are therefore asked to register via the link that can be found on the CGA's website (www.cga.co.za).

Citrus Marketing Forum (CMF)

The Citrus Marketing Forum (CMF) is a joint initiative between the Citrus Growers' Association (CGA) and the Fresh Produce Exporters' Forum (FPEF). It meets twice a year, at the start of the citrus season in March to discuss estimates, and again in October to conclude the season and share successes and learnings from the season. If deemed necessary, another meeting can be called mid-season by the Variety Focus Groups, the CGA, or FPEF. The CMF aims to provide a platform for collaboration and discussion on key topics, initiating research and investigations, and making recommendations on a wide range of industry issues.

The CMF strives to create a cohesive vision for the citrus industry and develop a strategy that will ensure the industry's long-term success. All growers and registered export agents are eligible to attend CMF meetings.

Other interested parties, such as suppliers and shipping companies, can request an annual membership from the CGA. Please email info@cga.co.za for membership queries and to be included in these meetings.

CGA Website (www.cga.co.za)

The CGA website is a valuable source of information for all citrus growers and other stakeholders. It provides a secure platform to access information, tools, and resources relevant to the citrus industry. The CGA Member section is accessible to registered citrus growers issued with a Production Unit Code (PUC) or Food Business Operator (FBO) code, as well as members of the Fresh Produce Exporters' Forum (FPEF).

Currently, the website has over 770 members who use the password-protected section to access information.



South African Fruit Journal (SAFJ)

The South African Fruit Journal (SAFJ) is published every second month and all registered members of the CGA receive a copy free of charge. The publication's shareholders comprise the CGA, Hortgro, SA Table Grapes, and FPEF. The publication contains informative articles

from various sources within these industries and covers a wide range of subjects, including research, technical papers, market information, skills development, and other articles of interest.

The SAFJ content is restricted and all existing subscribers are requested to register in order to access the restricted content. If you are a producer or exporter, you need not subscribe but you do need to register in order to access the online magazine, by simply going to the SAFJ website www.safj.co.za and completing the registration process.

To access a digital copy of the SAFJ, visit www.safj.co.za, or contact editor@safj.co.za if you have any comments or questions about the publication.



REPRESENTATION

The CGA is represented on various boards and committees, with the representatives reporting relevant information to the CGA board of directors. The office bearers for the period under review were as follows:

Agbiz

Justin Chadwick, Cornel van der Merwe,
Charles Rossouw

Agrihub

Precious Kunota

BI Steering Committee

Vaughan Hattingh

CGA Combined Disaster Management Committee

Ben Vorster, Charles Rossouw,
Fanie Meyer, Francois Dillman,
Hannes de Waal, Jock Danckwerts,
Per Nøddeboe, Peter Nicholson,
Piet Smit (Citrusdal), Piet Smit (Komati
Group) Cornel van der Merwe, Gerri
van der Merwe, Pieter Nortjé, Deon
Joubert, Justin Chadwick, Vaughn
Hattingh, Elma Carstens, Rocco Renaldi

CGA Communication Committee

Jan-Louis Pretorius, Deon Joubert,
Justin Chadwick

CGA Cultivar Company Board

Barend Vorster, George Hall,
Guy Whitaker, Siseko Maqoma,
Hannes Joubert

Citrus Academy Board

Phillip Dempsey, Marius Bester,
Bennet Malungane, Frikkie Olivier

CGA Grower Development Chamber

Eric Nohamba, Bennet Malungane

CGA Grower Development Company Board

Andrew Muller, Ronald Ramabulana,
Rajen Govender

Citrus Improvement Scheme

Paul Hardman, Smif le Roux

Citrus Industry Trust

Phillip Dempsey

Citrus Marketing Forum

Cornel van der Merwe,
Jan-Louis Pretorius

Citrus Research International

Piet Smit, Fanie Meyer, Deon Joubert,
Eddie Vorster, Mike Woodburn, Piet
Engelbrecht, Louisa Maloka-Mogotsi
(CGDC)

Confronting Climate Change Steering Committee

Paula Bester

Finance and Risk Review Committee

Rajen Govender, Mike Woodburn,
Andrew Muller, Andries van Wyngaardt,
Jan-Louis Pretorius, Phillip Dempsey

FMS Steering Committee

Hennie Ehlers

Food Safety Forum – GLOBALG.A.P.

National Technical Work Group / Fruit
SA IT Steering Committee / SHAFTE
Sustainability Task Force / Citrus
Improvement Scheme / MRL Workgroup
Paul Hardman

Fruit South Africa / SA Fruit Journal / SHAFTE / ATF

Justin Chadwick

HLB Steering Committee

Justin Chadwick, Jock Danckwerts,
Cornel van der Merwe

Market Access Committee

Elma Carstens

Perishable Produce Export Control Board

Ian Beukes, Pheladi Tlomatsane

River Bioscience / Xsit

Jan-Louis Pretorius, Marius Jurgens,
C P Mouton, Eric Nohamba,
Rajen Govender

SIZA

Alana Snyman



FINANCE

Robert Miller

The Citrus Growers' Association is responsible for administering the statutory levy due on exported citrus. The levy is collected and allocated to fund the following activities:

- Research and technical support services, carried out on behalf of the CGA by Citrus Research International (CRI)
- Market access and market development
- Consumer assurance and food safety
- Provision of industry information and statistics
- Logistics coordination
- Transformation services, including:
 - Human capital development, carried out by the Citrus Academy
 - Enterprise development, carried out by the CGA Grower Development Company

In 2022, the second year of the four-year statutory levy cycle, the levy was set at R1.68 per carton and R260 million was collected.

This levy was approved by the Minister in the Government Gazette number 43979 on 11th of December 2020. The funds were used by the CGA to provide the above services to growers.

The statutory CGA levies for the remaining two years of the approved period are as follows:

2023 – R1.73 per 15kg carton

2024 – R1.79 per 15kg carton

CGA BEE Status

In early 2023, the CGA Group proudly achieved a level 5 rating on the Agricultural Sector B-BBEE scorecard, renewing its B-BBEE certification. This rating applies to all of the companies under the CGA Group umbrella, including River Bioscience, Xsit, CGA Cultivar Company, CRI, and the CRT. To view the new B-BBEE certificate granted to the CGA Group, please visit the CGA website. We will continue our commitment to the promotion of transformation and inclusion.

CGA GROUP FINANCE AND RISK REVIEW COMMITTEE (FRRC)

The members of the CGA Group Finance and Risk Review Committee for the year under review were Rajen Govender (chairman), Mike Woodburn (CGA director KZN), Andries Van Wyngaardt (CGA director Letsitele), Andrew Muller (CGA director Nelspruit), Phillip Dempsey (CGA director Patensie) and Jan-Louis Pretorius (CGA director Letsitele).

This committee is responsible for providing vital oversight and guidance to the various boards of the CGA Group of companies, which includes risk management, financial, and internal control management. The FRRC also works to ensure that all companies are compliant with corporate governance regulations and requirements and operate efficiently and effectively while mitigating any potential risks.

The FRRC held one meeting during the year under review, on the 18th of July 2022.



RISK MANAGEMENT

Below are the main risks identified by the CGA during the year under review and the mitigation measures in place:

Effect of phytosanitary constraints on export volumes and associated levy income

Citrus Black Spot (CBS)

- A disaster management committee is in place.
- Special envoy is engaged with various role players on this matter.
- Relevant government departments are being engaged in this matter.
- New export markets are being developed.
- Additional funds have been allocated to CRI for research on CBS.
- Trade lawyers have been engaged to prepare a case for a WTO dispute.
- A risk management system has been developed and implemented.

False Codling Moth (FCM)

- A FCM Management Committee has been established to assess, monitor and manage this risk.
- Special envoy is engaged with various role players on this matter.
- Discussions with government representatives are taking place.
- A FCM Management System has been developed and implemented.

Bactrocera Dorsalis (BD)

- Movement of fruit from regions where BD is known to be

established is being controlled.

- CGA and CRI steering committee action plan is in place and managed.
- Other fruit groups provide contributions towards the management of this risk.

Biosecurity - Huang Long Bing (HLB)

- A biosecurity manager appointed in CRI to manage this risk.
- A HLB Steering Group is in place.
- A HLB action plan has been developed.

Logistical constraints on export volumes and levy income

- A CGA logistics development manager was employed to address this risk.
- A logistics Risk Committee was formed to assist the logistics development manager.
- Identified focus areas are:
 - decrease supply chain costs;
 - monitor and advise on reducing congestion and improving port efficiency;
 - increase exports through alternative ports;
 - address shipping costs and container cost escalations;
 - address national roads legislation; and
 - develop rail transport options.
- Thomas Eskesen Advisory Services has been appointed to investigate and provide solutions to escalating shipping costs.

Socio-political constraints on export volumes and associated levy income

- Industry transformation has been identified as a priority focus area, with about 20% of levy income spent on transformation annually.
- The CGA Grower Development Company and Citrus Academy have been established to address respectively, enterprise development and human resource development in the citrus industry, promoting industry transformation.
- Opportunities are pursued to partner with other stakeholders to make available funding for enterprise development to emergent growers to promote transformation, for example, the ETBCG programme (please see report elsewhere in this publication).

Effect of B-BBEE rating on future levy approvals

- Since 2022, the CGA Group received a combined B-BBEE rating, enabling all companies in the group to benefit from the investment in transformation and elevate their B-BBEE rating.
- A strategy has been developed to improve the CGA Group B-BBEE rating.

Constraints that buy-in from producers may have on future

levy approval and income

- Grower representation is enabled through the composition of the CGA board, ensuring that the concerns of growers are heard and addressed.
- An effective communication strategy has been developed, which includes weekly newsletters, the CGA Citrus Summit alternating with roadshows, and other publications, while other group companies are encouraged to keep growers informed of their activities.

IT systems failure puts industry data at risk and results in the company being unable to operate

- The CGA employs an information consultant.
- Data is backed up regularly.
- Offsite backups and storage of company data are in place and constantly monitored.
- Finance and accounting data is backed up to an offsite location daily.

Cyber-risks and POPI Act

- Cyber risk reviews are conducted regularly and the suggested improvements are implemented.
- POPIA compliance reviews are conducted and the CGA Privacy Policy enforced to protect data the CGA obtains.



LOGISTICS

Mitchell Brooke

The 2020, 2021, and 2022 citrus export seasons have been some of the most challenging in history. This is due to a range of disruptive events that occurred during the 2022 season. These include strikes in the Sundays River Valley area, severe flooding in KwaZulu-Natal, trucks being set alight on national roads, a strike at Transnet, stage 6 load shedding, and the list goes on. However, the 2022 season will be remembered for something else in addition to these challenges: severe inflationary pressure. The price pressure from the energy sector also added to the inflationary pressure as the price of diesel, electricity, and marine bunker fuel increased to historical levels in July 2022. They say things happen in threes, so hopefully this is indicative of a smoother 2023 export season – we know that citrus producers certainly need 2023 to be much smoother with less disruptive events.

The railing of citrus in refrigerated containers to ports for export

The CGA has long advocated for the movement of at least 15,000 containers by rail for export purposes. This shift is intended to create greater efficiency and reduce the need for road truck trips. There is a strategy that outlines specific origin-to-destination routes and the number of reefer containers that could be moved along each route. The floods in KwaZulu-Natal in April caused significant disruption to the rail line between Durban and Cato Ridge, with the line remaining closed until October. As a result, only a few trainloads of citrus were able to be transported to the port for export. This was an unfortunate consequence of the floods, but the ongoing cable theft made the situation worse. As it stands, only a single line on the dual line between Durban and Gauteng is operational. Despite the challenges facing the rail network, the CGA is committed to making the most of the

available resources to achieve the goal of rail transporting 15,000 reefer containers to ports by 2025. The announcement of Private Sector Participation by Transnet in the Durban to Gauteng rail line is a significant step forward and it is hoped that this will bring a renewed focus on the rail network, leading to improved infrastructure and better services.

Port container terminal operational performance

The performance of the port container terminal during the 2022 season has been well-documented as highly volatile. Aging equipment, malfunctioning infrastructure, and inadequate maintenance have all contributed to a drastic decline in efficiency. To address the issue at hand, the CGA has consulted with numerous entities, including local and national government bodies, Transnet's senior management, as well as the CGA board. The performance of the container terminals is likely to remain stagnant, or worse, decline until large-scale fleet replacement is facilitated. This is why Transnet is currently pursuing Private Sector Participation with international terminal operators. The aim of this is to have them partner with Transnet and invest in new equipment. The process of creating partnerships was rolled out late in 2021, and the results of these partnerships are expected to be seen in the 2023 season.

Increased volume of citrus exports from Maputo port

With long-term crop projections indicating a 25% increase in production over the next few years, it is highly imperative that citrus is diverted from Durban to Maputo. This will ease the bottlenecks and congestion that have become common in recent times and will become even more of an issue as more citrus is produced for export. Since 2016, Maputo has not been able to ship citrus due to several factors. One such factor is the increased shipping in reefer containers and a higher cost structure to export from Maputo due to the Rand/USD exchange rate. To combat this situation, major efforts were put into place during the 2022 season to coordinate a shipping programme from Maputo for the 2022 season. This proved successful as around 1,000 reefer containers of citrus were shipped from Maputo in 2022. It is envisaged

that with continued development, upgrades, and investment in infrastructure, such as road and rail networks, border crossings, port facilities, terminals, and cold storage facilities, the volume of citrus to be exported from Maputo will only grow. In the coming years, the Maputo corridor will no doubt become a corridor of choice for citrus producers.



Increased shipping of citrus in conventional specialised reefer ships

The export of citrus is expected to have a significant impact on reefer container demand in the coming years. According to current estimates, reefer container demand is projected to increase from 100,000 units in 2022 to 120,000 units by 2027. This rise in demand will likely put pressure on shipping lines to meet the needs of the market and they will have to consider that landside challenges will also need to be managed. Increasing shipment in conventional specialised reefer ships is the most effective way to combat this dilemma. These ships are much more efficient and effective than container vessels, which means that products can arrive in the market much faster. The most optimal routes for these types of ships are:

- Co-loading and discharging Europe, the UK, and Russia.
- Loading and discharging in the USA (incidentally, Summer Citrus chartered and loaded 17 reefer ships for discharge in the USA which is a record volume).
- Co-loading and discharge in South Korea, China, and Japan.

In 2022, it was most unfortunate that specialised reefer vessels saw a significant decline in usage. This was largely because of the lack of shipments to Japan and China, as well as conventional vessel shipments to the EU. Understandably, the increase in freight rates made it unfeasible for this method of shipping, leading to the decline. It is estimated that around half of all specialised reefer tonnage worldwide will be scrapped in the next few years due to the age of the global fleet.

Development of information and communication mechanisms

The CGA has identified system and information development as being a critical component in permitting the long-term viability and sustainability of the citrus sector. Those that manage and coordinate supply to global markets must have real-time, accurate, and meaningful information, to be in a better position to maximise the value and return on exports. This is seen as a key enabler during the phase of rapid growth in export volume. The CGA has been pursuing several different mechanisms to develop information resources.

Coupled with this, information sources are also seen as critical to keep value chain stakeholders up to date with key information through the implementation of various communication structures and mechanisms, including:

1. Weekly logistics status update meetings held in conjunction with Transnet and PPECB
2. Weekly logistics reports
3. Various workshops and conference platforms
4. Port WhatsApp groups

Hesti Botha works alongside Mitchell Brooke, primarily to develop and implement systems and mechanisms to optimise the citrus export supply chain. Hesti is also completing an analysis of the production and export value chain to determine the extent of industry growth, evaluating specifically the facility capacity, infrastructure, resources, and shipping capacity demands based on the long-term crop projection model.



INFORMATION

*Precious Kunota
Portia Magwaza*

The CGA and Fresh Produce Exporters' Forum (FPEF) jointly fund the procurement of citrus information from two sources. The Perishable Products Export Control Board (PPECB) supplies weekly data on volumes of citrus packed and passed for export. Agrihub, an independent legal entity established between the South African fruit exporting industries and four competing software solution providers, supplies shipping data and reports on a real-time basis.

This information is made available to all members of the Citrus Marketing Forum (CMF).

Tree Census

The annual tree census is based on data collated through the Department of Agriculture, Land Reform and Rural Development's (DALRRD) orchard registration process for exports in November 2022. Growers in Zimbabwe and Eswatini provide additional information. The 2022 tree census amounted to a total of 99,697 hectares. Valencia and Midseason oranges constitute a 31% share of the total that are planted, soft citrus accounted for 27%, lemons for 18%, navels for 16%, and grapefruit remained at 9%. The data procured through the tree census serves various purposes, including the CGA's Industry Statistics booklet, and the annual updates and refinements to the long-term citrus production model.



Citrus Statistics Booklet

The annual Citrus Statistics booklet provides an overview of exports, crop distribution, and growth trends of the different citrus commodities. Export-related data is supplied by Agrihub and the PPECB. The tree census

data, as well as data on export and local market sales, processing volumes, and revenue, are obtained from DALRRD. Budwood sales data supplied by CRI are also published in the booklet. The 2022 Industry Statistics booklet has been printed and posted to all registered citrus growers. The electronic version can also be found on the CGA website under Publications. Should you no longer wish to receive the booklet via the postal services, kindly inform the CGA at info@cga.co.za.

Packed Figures

Information on volumes packed is supplied by the PPECB on a weekly basis. The packed figures reflect the actual volumes packed to date, previous years' packed figures, and the estimated packed figures for the current season and are presented on a weekly and cumulative basis. These figures are available in the member section of the CGA website (www.cga.co.za).

Shipped Figures

Information on volumes shipped was supplied by Agrihub in 2022 and is posted on the website on a weekly basis under the member section. These reports show volumes shipped per variety, per week, and by market, with comparisons to previous years. Several additional reports were added to the existing selection in 2022.

The reports can be downloaded at any time directly from the Agrihub website, with some reports available on the CGA website in the members' section.

Citrus Marketing Forum (CMF)

The CMF is a joint forum between growers and export agents (CGA and FPEF). It provides a platform for the sharing of information, initiating research and investigations, and making recommendations on a wide range of industry issues. During the year under review, the CMF met twice. In October 2022 the closing season's events and lessons were discussed and in March 2023 the forthcoming season was the main area of consideration. The input to the CMF from the Variety Focus Groups with respect to estimates, projections, and growers' feedback was facilitated by the CGA.

Variety Focus Groups

The 2022 Southern African citrus export crop estimate was compiled by the regional Variety Focus Group representatives in March 2022. Regular Zoom meetings were held during the season to update the crop projection and discuss the markets. The Variety Focus Groups' updated crop projections were communicated to the industry in the CEO's weekly newsletter and in minutes published on the CGA website. The table below shows the original 2022 estimates, the actual volumes achieved, and the estimates for the 2023 season. All figures are in 15kg-carton equivalents. The Variety Focus Groups aim to estimate within 10% of final volumes inspected and passed for export by the PPECB inspectors. Overall, the 2022 estimate was 97% accurate.

Commodity	2022 Estimate	2022 Actual	% Actual vs. Estimate	2023 Estimate
Valencia	58 153 698	53 824 237	-7%	54 464 610
Navels	28 735 653	27 777 589	-3%	25 295 000
Grapefruit	16 789 367	16 745 117	0%	14 353 442
Lemons	32 255 722	34 703 557	8%	37 308 044
Mandarins	34 544 044	31 810 158	-8%	34 074 055
Total	170 478 484	164 860 658	-3%	165 495 151

International Information Exchange

Southern Hemisphere Association of Fresh Fruit Exporters

(SHAFFE): The major southern hemisphere fresh citrus exporting countries participate in a joint initiative whereby members supply information on shipped by volume and destination to the SHAFFE secretariat, who collates and supplies this information to the participating SHAFFE members.

World Citrus Organisation (WCO): The WCO has grown from strength to strength since its inception with more members joining, while the steering committee continued to promote membership and collaboration. The 4th annual general meeting of the WCO in June 2022, saw a great turnout and a lot of information was shared about the global citrus industry. An in-person meeting was also held at Fruit Logistica in February 2023. The agenda for the meeting focused on consumption

trends and the changing nature of consumer purchasing trends. There was also an emphasis on encouraging citrus partners at a global level to collaborate and cooperate in order to effectively address issues of common concern for the benefit of the sector, collectively and efficiently.

The WCO now has twelve full member country organisations, from Australia, Brazil, Chile, Israel, Italy, Morocco, Peru, South Africa, Spain, Tunisia, Turkey, and Uruguay. Additionally, there are four associated members, namely Argentina, Bolivia, Egypt, and the US. The number of individual organisations who joined the WCO has grown to twenty-five. The budget has increased steadily and now caters for a WCO secretariat, as well as funding for excellent studies on world citrus statistics by the French agricultural research centre, CIRAD.

Having more WCO meetings and opportunities for dialogue have opened the way for improved relations and understanding of the overarching challenges faced by all citrus-producing countries. As the combined data and studies on trends in citrus worldwide have become the main agenda for the WCO meetings, more ambitious projects to address world citrus challenges are suggested.

The Health and Nutrition Working Group is conducting a Citrus Nutritional Benefit study, as well as a promotion campaign. The Global Marketing Working Group is also in full operation. In order to provide additional support to members, a members' area is in an advanced stage of development and is expected to be completed soon.

The applied work on the WCO's domain by CIRAD has revolutionised the citrus industry, vastly improving access to data by member countries. This has allowed for a much better understanding of the citrus industry and has enabled participating countries to make better-informed decisions and set priorities for the future. The information at the WCO's disposal is fast becoming a major tool for planning, positioning, and addressing global joint citrus challenges. The WCO is now hitting its straps and the global citrus industry is reaping the rewards.



VARIETY FOCUS GROUPS

Portia Magwaza

The Variety Focus Groups set the initial export estimate for each season, monitor the packed and shipped information provided by the service providers, discuss market conditions, and update export predictions during the course of the season.

Minutes of the regular Variety Focus Group meetings are published on the CGA website and summarised in the CEO's

The regional representatives on the Variety Focus Groups for the 2022 season were as follows:

Regions	Grapefruit	Lemon	Mandarin	Valencia / Navel
Boland		J. Louw	S. Bruwer	
Eastern Cape Midlands		E. de Villiers	J. Danckwerts	B. Mildenhall
Hoedspruit	G. Kruger	J. Meintjes	J. du Preez	T. Landman
Letsitele	B. Landman	B. Landman	D. Fourie	B. Landman
Limpopo River	F. Dilman*	F. Dilman	J. Joubert	J. Joubert
Nelspruit		A. Muller	P. Pretorius	A. Muller
Nkwalini		B. Snyman		
Onderberg	M. Neethling	G. van Staden		C. van der Merwe
Oranje Rivier	D. Steyn	M. Hamman	M. Bester	R. Van Zyl
Patensie		Z. van der Merwe	M. Odendaal	W. Kleyen
Pongola	A. Rouillard	A. Barnard		
Sundays River Valley		L. Venter*	A. Janse van Rensburg	D. Joubert/ K. Terblanche
Senwes		H. Schoeman	R. Els	P. Nortje
S-KZN		P. Button	H. Warnich*	P. Button
Western Cape		B. Mouton		S. Engelbrecht* / P. Hough
Eswatini	J. Boyd			G. Brown
Zimbabwe	P. Bristow			P. Bristow

* Chairperson

*The following
Variety Focus Groups
meetings were held:*

Month	Grapefruit	Oranges	Lemons	Mandarin	Total
February	-	-	1	1	2
March	2	1	2	1	6
April	2	-	1	1	4
May	2	-	2	1	5
June	2	1	1	1	5
July	1	1	1	1	4
August	1	2	1	1	5
September	-	2	1	1	4
October	-	-	1	1	2
Total	10	7	11	9	37

weekly newsletter. From time to time, the Variety Focus Groups also give opinions on dispensation requests referred to them by DALRRD when called upon to do so. The Variety Focus Groups met regularly during the 2022 season via Zoom conferencing, with the CGA convening the meetings and acting as secretariat.

The CGA extends its appreciation to the Variety Focus Group regional representatives for giving their time to serve their fellow growers. Special thanks are due to Martina Odendaal (Mandarin chairperson), who stepped down from her role at the beginning of the 2022 season. The CGA would also like to express its gratitude to the Fresh Produce Exporters' Forum (FPEF) representatives for their contribution to the Variety Focus Groups.



CONSUMER ASSURANCE

Paul Hardman

The rate of change for matters around food safety, social and environmental responsibility, and general sustainability is clearly increasing. In fact, many of the sustainability topics are rapidly shifting from semi-commercial requirements to key components of market access and regulatory compliance.

This also means the World Trade Organisation (WTO) Technical Barriers to Trade (TBT) arrangement comes into play, in addition to the Sanitary and Phytosanitary (SPS) rules. At a very practical level, the concern is that technical requirements are being developed and implemented which will reduce the ability of the citrus industry to grow and export an excellent product. The below highlights these issues and mirrors much of the work being done within the CGA Citrus Sustainability Forum (CSF).

The CGA Food Safety and Sustainability Strategic Plan remains a blueprint to direct CGA efforts and has guided the CGA team to work on the issues most critical to citrus growers. The main components of the plan are:

1) **Better CGA-DALRRD engagement:** The CGA relationship with DALRRD: Directorate of Food Safety and Quality (FSQA) has at times, been uneasy. However, the CGA and FSQA reached alignment and published joint maximum residue levels (MRLs) in December 2022, which will now reduce the risk of the PPECB incorrectly rejecting export fruit. The CGA proposals to update the MRL Standard Operating Procedure (SOP), in order to reduce the impact of "false positive" residue findings and reduce the number (and cost) of residue samples, are being considered. An upshot of the MRL SOP engagement is that DALRRD analytical services are now paying close attention to the performance of private laboratories that DALRRD has approved to provide official analytical services.

2) Plant protection product (PPP) registrations in South Africa:

The CGA was alerted to a letter in April 2022 where the Registrar indicated intent to withdraw the registrations of products that contain substances classified as 1a or 1b in the Global Harmonised System for Classification and Labelling (GHS) by the 1st of June 2024. A CGA and CropLife workgroup was set up to identify which products this might impact and drove a Fruit South Africa initiative to directly engage the Registrar on this matter. Initially, about nine products used in the citrus industry were identified for withdrawal. Through direct engagement with the registration holders and the CRI programme managers, it was possible to mitigate some of this potential impact, but it remains likely that two key fungicides and one useful insecticide might be lost. Through the Strategic Agricultural Inputs Forum (SAIF), and direct engagement with the Registrar, the CGA is seeking to address backlogs of outstanding registration applications. It is pleasing that additional human resources have been employed within the directorate, but ultimately a new approach, in the form of an update of Act 36 of 1947, is needed to streamline the registration process.

3) **Future crop protection:** The CGA and CRI concluded an extensive exercise to profile currently available PPPs in order to determine their likely future status, and to determine if alternatives exist or whether they need to be developed. This data has been shared with researchers and the crop protection industry in the hope of filling any emerging gaps, which ran in parallel with a number of specific projects the CGA managed during the course of the year.

- a. **Carnauba wax:** When a container was surprisingly rejected in Taiwan, it emerged that Carnauba wax is not a recognised post-harvest treatment in Taiwan. The CGA and main wax suppliers initiated a project to generate appropriate data with the aim of Carnauba wax being listed as an approved post-harvest treatment. This project should be concluded by mid-2023.
- b. **Mancozeb EU import tolerance:** The initiative to generate residue breakdown data to submit an import tolerance application to retain an EU MRL for mancozeb made solid progress in the last twelve months after a slow first year.

Data from year one is available while the processing of data from year two samples are expected to be concluded in April 2023. *Dithiocarbamates* are receiving considerable attention in the EU, and the CGA eagerly awaits the outcome of the European Food Safety Authority's reasoned opinion on the toxicological profile of the various *dithiocarbamates*. This will be an indication of the future prospects of a citrus MRL for mancozeb in the EU.

c. **Imidacloprid:** Surprisingly the EU has not published lower *imidacloprid* MRLs despite their earlier communication of that intent. It may be that other neonicotinoids of lesser significance are being prioritised as there could be legal or WTO challenges to the decision to lower MRLs on environmental concerns alone.

4) **The EU Green Deal and Farm-to-Fork Strategy:** The implications of the EU Green Deal and Farm-to-Fork strategy are becoming clearer. In summary, growers will face increasing pressure for organic production (which is very challenging given EU rules for phytosanitary compliance), supply chains competing on the basis of sustainability themes, increased measurement and reporting on sustainability metrics, the loss of key PPPs, retail requirements that are more specific and disruptive, further undermining of Integrated Pest Management, and erosion or side-lining of proper science-based decision-making. At five large conferences and events, the Industry Affairs Manager had the opportunity to present the key impacts of these policies.

Citrus Sustainability Forum: Three CSF meetings were held during the year under review, with typically between 100 and 150 participants attending. Each meeting followed a broad theme, for example "Integrated Pest Management" or "Carbon". Topics emerging in the Issues Register that received attention included:

1) **Cost of compliance:** The research into the cost of assurance schemes was concluded, highlighting that these are substantial. Together with Fruit South Africa, the findings of the report are being shared with the supply chain to reduce this burden on growers. Ironically, reducing waste is an important sustainability concept that seems to be ignored when it comes to a grower's time.

2) **EU Carbon Border Adjustment Tax:** The introduction of a carbon tax on imported products is a concern. The details of how this will impact South African producers are unclear, but certainly expected to increase the costs of supply to the EU.

3) **Carbon sequestration:** The citrus industry has moved from simply measuring carbon emissions (via the CCC application) to aligning South African methodology and practices in anticipation of benefiting from carbon sequestration. Benefits could be in the form of carbon trading or the strategic use of carbon credits when dealing with supply chain partners, such as shipping lines. The CGA is also making inputs to the work being done by Freshfel on developing a Product Carbon Environmental Footprint.

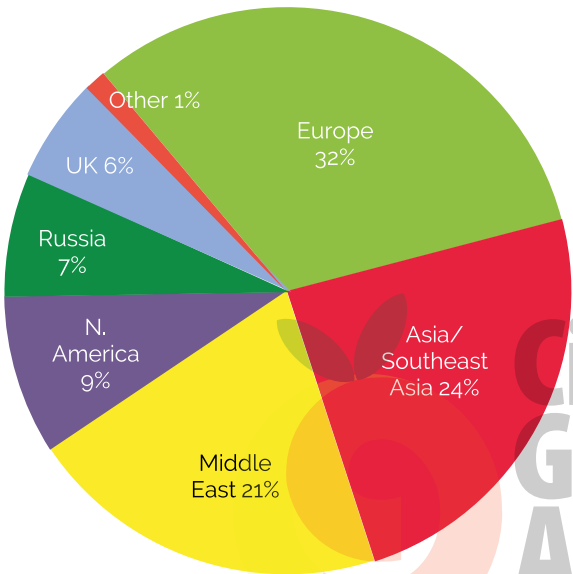
4) **Labelling and packaging:** EU Member States have adopted different interpretations of the EU overarching labelling and packaging regulations. This essentially means the EU market is fragmenting and is no longer a common market. Specifically this year, the rules on whether labels must be home compostable or not, was a concern for trade disruption.

SHAFFE Sustainability Task Force (STF): The CGA is the current chair of the SHAFFE STF, a SHAFFE sub-committee with the purpose of finding common ground and solutions around emerging sustainability requirements. Momentum for the group built up until August 2022, but changes to the secretariat reduced activity and progress in the second half of 2022. Nevertheless, a White Paper detailing the position of the SHAFFE members on key topics was completed. The next phase is to hold webinars to expand on the opportunities and challenges identified in the White Paper.

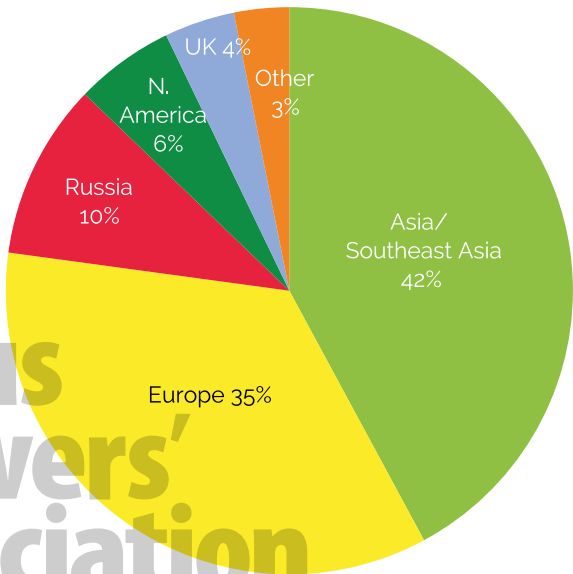
Looking Ahead: Given the increasing rate of change, it is clear that supply webs will need to be more adaptable and nimble. Implementation of new rules will require fast action to reduce losses and retain markets. At the same time, producers need to be preparing for long-term efforts to adopt and demonstrate, through reporting, changes toward sustainable production. South Africa has a wonderful opportunity here to take advantage of systems and processes that have already been developed and implemented for competitive advantage, such as the Sustainability Initiative of South Africa (SIZA) social and environmental standards, and Confronting Climate Change carbon footprint tool.

EXPORTS 2022

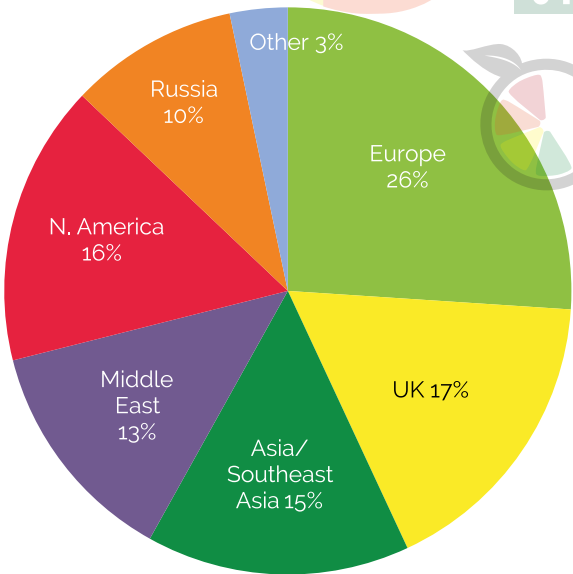
Oranges



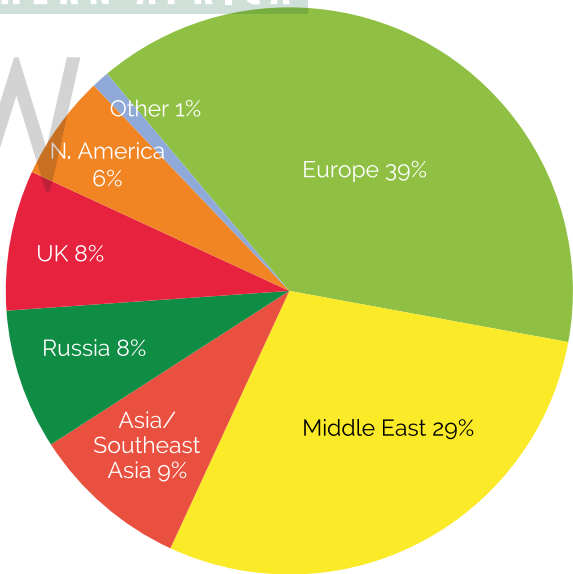
Grapefruit



Mandarins



Lemons





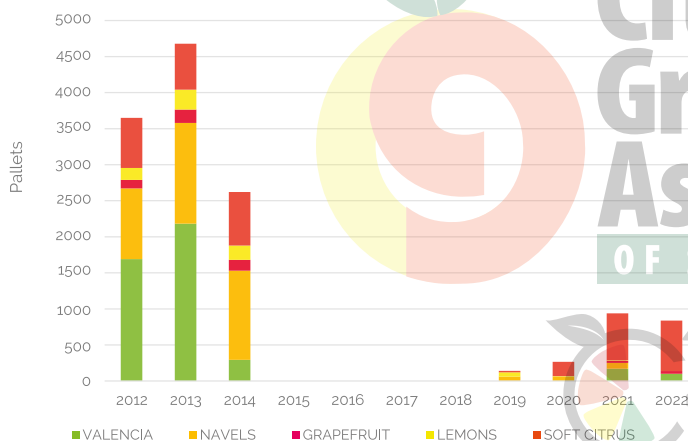
MARKET ACCESS

Justin Chadwick
Dr Vaughan Hattingh
Dr Elma Carstens



Philippines

Volumes – 2021 was the first year that South Africa exported citrus to the Philippines under the new protocol. The volumes shipped varied between 1,000 and 2,000 pallets. Volumes are restricted due to shipping opportunities and the cost of shipping. This market holds the potential for additional volumes in the future.



the outstanding matters to be communicated to the PPD. The PPD delegation arrived in South Africa on the 26th of June 2022 and returned on the 3rd of July 2022. The delegation consisted of six PPD officials, DALRRD and PPECB representatives, a translator, and CRI staff. The delegation visited production units and packhouses in the Limpopo and Mpumalanga regions, in addition to a cold treatment facility in Cape Town. During the closing meeting, the head of the delegation indicated that a response to the visit would be provided before the end of July 2022. This response, in the form of draft import conditions, was received on the 15th of September 2022. All outstanding issues pertaining to packhouse procedures and mitigation measures for *Aspidiotus nerii* and *Pseudomonas syringae* were addressed. The PPD also accepted the improved FCM cold treatment of 19 days at $\leq 1.2^{\circ}\text{C}$. However, they added two new fruit flies as regulated pests and requested mitigation measures such as pest-free places of production. The addition of these two fruit flies was never discussed during the visit in July 2022. The listing of the fruit flies is not scientifically justified as fresh citrus fruit is not a host, and it is therefore not justified to require any specific mitigation measures. In anticipation of situations like these, CRI had previously established in research findings, that both *C. cosyra* and *C. quilicii* are more cold-susceptible than *C. capitata*, and accordingly, any cold treatment for *C. capitata* would eliminate any concern. Albeit unjustified concern, about the other two species. CRI submitted a response to DALRRD for communication to PPD on the 13th of October 2022 which DALRRD submitted to PPD on the 28th of October 2022. During the Fruit South Africa visit in November 2022, the unjustified listing of the two fruit flies was highlighted. A response was received from the PPD on the

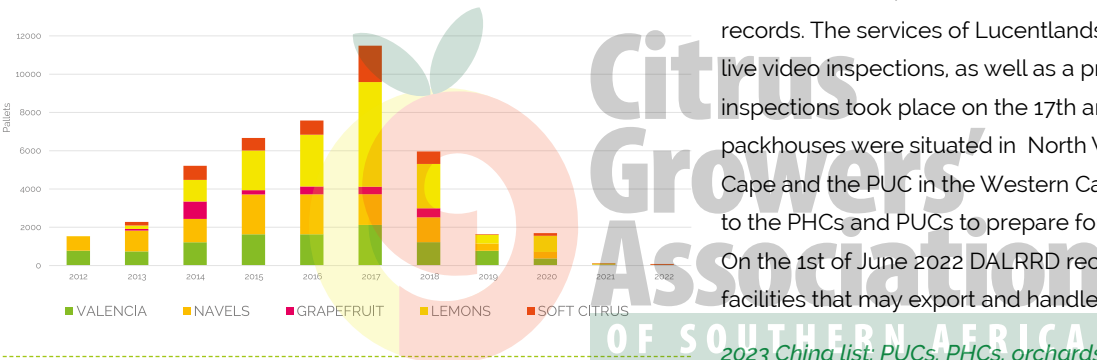
Vietnam

South Africa applied for access for oranges in 2012.

In March 2022, during a meeting between South Africa and Vietnam, the Plant Protection Department (PPD) advised that they wish to proceed with a site visit. A proposed itinerary was submitted to the Department of Agriculture, Land Reform and Rural Development (DALRRD) on the 31st of March 2022, which DALRRD submitted to, and was accepted by, the PPD. On the 19th of April 2022, CRI submitted a response to DALRRD on all

14th of February 2023 where they refer to other references to support their insistence on retaining the listing of the two fruit flies (*C. cosyra* and *C. quilicii*). They also requested scientific evidence that *C. capitata* is more cold-tolerant than these two fruit flies, despite South Africa already having provided this information in the response of the 28th of October 2022. CRI is developing a response for DALRRD.

Fruit South Africa Advocacy trip to Vietnam: In October 2022, Paul Hardman travelled to Vietnam as part of a Fruit South Africa delegation to visit Vietnam officials, importers, and the South African Embassy in Hanoi.



Volumes – Since there is no access, volumes are non-existent.



China

Revised export protocol to exempt lemons from the 24-day cold treatment requirement

The 2022 season was the first full season under the new lemon protocol for China. The new shipping temperatures are more acceptable for lemons, as lemons are more susceptible to cold damage. Despite starting from a low base, the large increase in South African lemon exports bodes well for the future. Exporters who sent lemons to China in 2022 commented that the new shipping temperatures meant that fruit arrived in China in excellent condition. Market dynamics for lemons in China were however not ideal in 2022, but this should improve in future. Given

the ever-increasing lemon export volumes from South Africa, the Chinese market can play a key role.

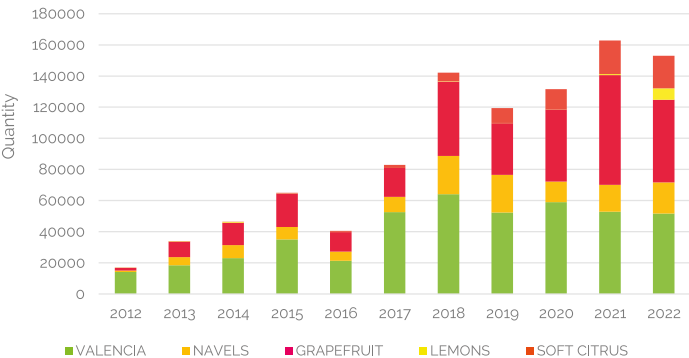
2022 China list: PUCs, PHCs, orchards, and storage facilities

In March 2022, DALRRD supplied GACC with the draft list of facilities that are registered by DALRRD for export to China. The GACC responded that due to the COVID-19 situation, they will again not be able to conduct on-site inspections for the new facilities on the list. They requested live video inspections to be conducted. The GACC selected the three PUCs and three packhouses to be visited for the inspections. The GACC indicated that only one PUC should be visited, the other two need only send pest management records. The services of Lucentlands were contracted for the live video inspections, as well as a private translator. The video inspections took place on the 17th and 24th of May 2022. The packhouses were situated in North West, Limpopo, and Western Cape and the PUC in the Western Cape. CRI provided documents to the PHCs and PUCs to prepare for the video inspections. On the 1st of June 2022 DALRRD received an approved list of facilities that may export and handle fruit destined for China.

2023 China list: PUCs, PHCs, orchards, and storage facilities

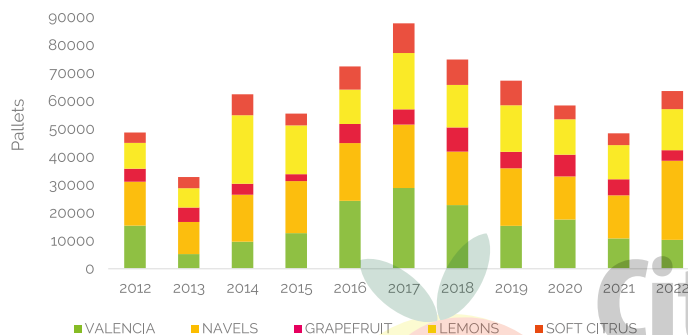
In March 2023, DALRRD supplied GACC with the draft list of facilities that are registered by DALRRD for export to China.

Volumes – Volumes to China were only slightly off the 2021 record volumes. Given the congestion in Chinese ports and the difficulty in exporting to that market, this was a good result.

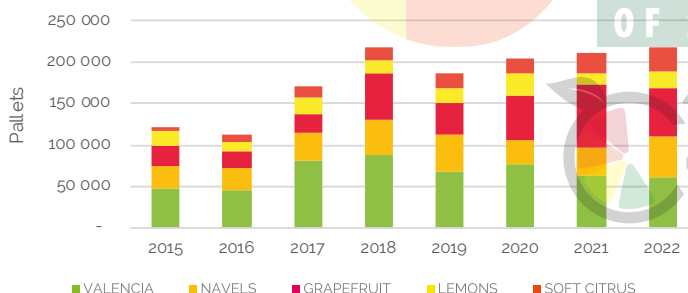


Hong Kong

Export volumes into Hong Kong in 2022 showed a slight increase compared to the previous year, probably because of the difficulties in accessing ports in China. The increase from 48,000 pallets to 64,000 pallets was largely driven by additional volumes of navel oranges.



The combined volume of pallets shipped to Hong Kong and China has been relatively static since 2018, hovering around 200,000. There was a slight dip in 2019, however, it has since again been trending upwards.



Japan

Optimising access conditions for all citrus types; Access for all mandarins, excluding Satsumas; Access for all navel oranges and amendments to the bilateral protocol

As Japan-MAFF only deals with one market access request from a country at a time, there was no movement on any of the long-outstanding citrus matters. Although the bilateral export protocol for South African avocados is in the final stages, it has not yet been concluded.

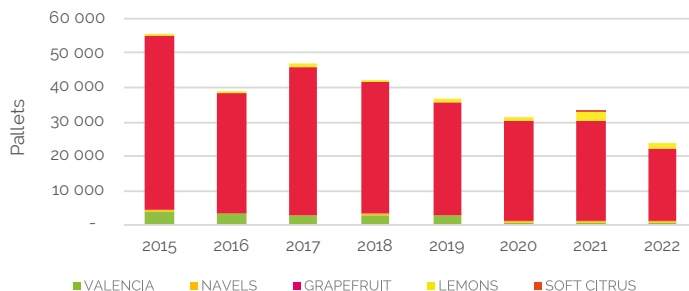
The citrus market access issue will be considered once the avocado protocol is completed.

South Africa-Japan Business Forum: In June 2022 the CGA was invited by the Department of Trade, Industry and Competition (DTIC) to make a presentation on citrus exports to Japan at the inaugural South Africa-Japan Business Forum.

This was an opportunity to highlight the inordinate time taken to address the different citrus trade-related issues.

Fruit South Africa Advocacy Visit: In October 2022, a Fruit South Africa delegation visited Japan. The delegation briefed the Embassy on the outstanding fruit trade issues, visited with Japan MAFF, and held an Importer Seminar attended by nine Japanese companies.

Volumes – The slight increase in 2021 was short-lived, and export volumes continued their downward trend in 2022, now at levels less than half of the volumes exported in 2015.



Zimbabwe

After the signing of a bilateral protocol to export fresh citrus fruit from Zimbabwe to China, the GACC required a virtual inspection of orchards and packhouses. With the assistance of Lucentlands, and under the guidance of the Zimbabwe Ministry of Agriculture, the virtual inspections were conducted on the 31st of July and from the 1st to the 4th of August 2022.

United States of America (USA)

Access for citrus from the rest of South Africa (CBS areas); Recognition of CBS pest-free places of production in an area of low pest prevalence; the inclusion of other Western Cape magisterial districts in the export program, and a revised pest list

On the 25th of October 2022, DALRRD held a bilateral meeting with the USDA-APHIS. During the meeting, DALRRD reiterated the importance of the matter at hand and requested further action. USDA-APHIS indicated that there has been no further developments and committed to informing DALRRD as soon as there are. DALRRD submitted a letter to USDA-APHIS on the 2nd of March 2023 to follow up on the long outstanding issue of allowing citrus exports from CBS areas.

Facilitation of meeting between National Pork Producers Council (USA) and South African Pork Producers Organisation (SAPPO):

Since all indications are that the issues with pork exports to South Africa from the USA are holding up progress with finalisation of the final rule for wider citrus access, the CGA organised a meeting between NPPC and SAPPO in June 2022.

CGA representative in the USA: Nick Gutierrez continues to engage with the USA, USTR, and other US government authorities. He has also built a network within the South African and Eswatini Embassy in Washington. He sends through a very detailed monthly report outlining progress and activities, which is sent to the CGA Board and other interested parties.

Eswatini: the CGA and CRI continued to assist Eswatini growers and authorities with the access process.

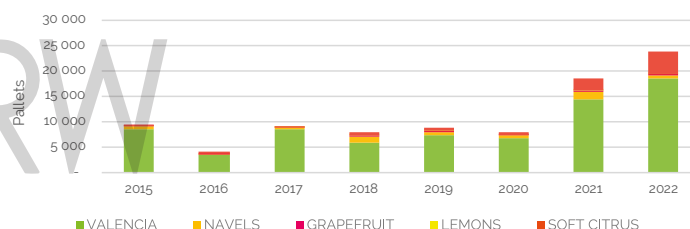
Volumes – Record export volumes to the USA were achieved in 2022, with 113,254 pallets. There was a significant increase in mandarins shipped to the USA, by 40% to 53,000 pallets. Navel exports increased by 30% to almost 40,000 pallets.

India

Optimising access conditions (cold treatment protocol for citrus shipments) for all citrus types

A bilateral meeting took place between South Africa and the Indian authorities on the 7th of April 2022. The Indian authorities requested South Africa to send two new trial shipments of soft citrus. The first container left South Africa in the first week of July 2022 and the second in the third week of July. According to PPECB, the cold treatment was successful. DALRRD has not received any response from the Indian authorities since then, despite several follow-ups.

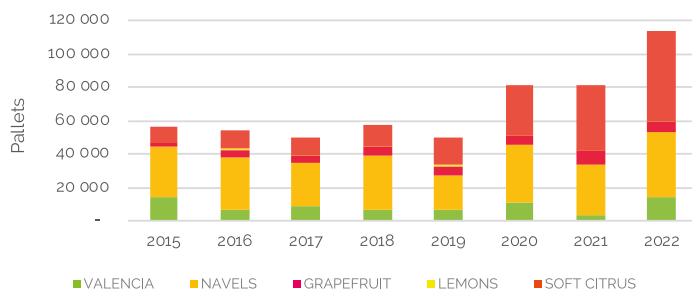
Volumes – Exports to India continued with an upward trend, increasing by almost 30% to 24,000 pallets. This is dominated by the Valencia category.



South Korea

Management of mealybugs for citrus fruit intended for export to South Korea

For the 2022 citrus export season the decision was taken that all mealybugs intercepted at the packhouse and at the port must be submitted to CRI's laboratory in Nelspruit or DALRRD's laboratory in Stellenbosch for identification. Such consignments were to be



put on hold by PPECB or DALRRD pending the result, with the exporter having the option to divert the fruit if they could not wait for the laboratory results.

In March 2022 a meeting was held to discuss the operations with regard to the identification of mealybugs intercepted by PPECB in the packhouses and DALRRD in the port. It was agreed that parasitised mealybugs will be regarded as dead and not actionable. DALRRD and PPECB were informed accordingly.

Since 2020, the South Korean Authorities allowed DALRRD to conduct phytosanitary inspections without South Korean inspectors being present. On a monthly basis, they informed DALRRD that exports may continue. Although they confirmed in July 2022 that exports can continue for the month of August, they again raised concerns about interceptions of mealybugs, requesting a meeting with DALRRD.

At the annual Citrus Coordinating Meeting held on the 2nd of November 2022, DALRRD informed the industry that the South Korean NPPO again raised concerns about the interception of actionable pests and cold treatment. DALRRD also informed the industry that PUCs that had registered for the 2022 season and not exported will not be allowed to register for the 2023 export season. An objection was raised and DALRRD agreed to a workshop to discuss all the issues before a final decision will be communicated to the industry.

At the workshop held on the 28th of November 2022, Plant Health indicated that the registration process did not prevent PUCs that had registered but not exported in 2022 from registering, and 121 of the 135 such PUCs did register. Only fourteen such PUCs did not register due to the communication at the Citrus Coordinating Meeting. Plant Health indicated that the producers can be approached individually and manually register without opening registration again.

CRI sent a request to DALRRD to allow these fourteen PUCs to register if they wish to do so.

DALRRD also raised concerns about the interception of mealybugs, wrong carton markings, mussel scale interceptions, and proposed stricter corrective measures for mealybugs.

CRI circulated a Cutting Edge to alert producers and make recommendations to reduce the risk for mussel scale interceptions. A follow-up meeting took place on the 7th of December 2022 to discuss the mealybug and carton marking issues. The opportunity was granted for CRI to formally submit a request to DALRRD not to implement the proposed stricter corrective actions for mealybugs.

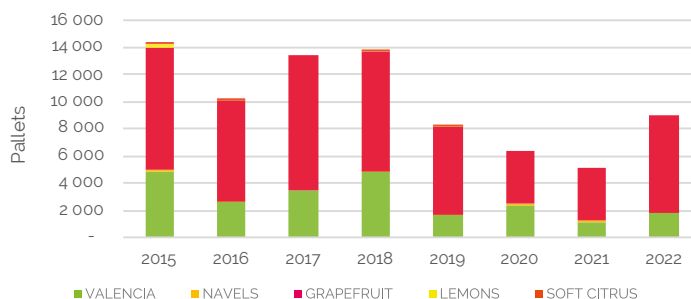
CRI submitted the request to DALRRD on the 21st of December 2022. In the request, it was indicated that a stricter hit system might not be effective in ensuring better compliance with the South Korean requirements but would carry severe implications for affected PUCs. As a more effective alternative, a stricter verification process was proposed to assist DALRRD in ensuring that producers who do not comply will not be approved for export to South Korea. Details on how the verification process can be improved were shared with DALRRD.

Stricter corrective actions for producers will not be implemented, but stricter corrective actions for packhouses guilty of incorrect carton markings will be implemented in the 2023 export season.

For the first time since the COVID-19 pandemic, a South Korean Inspector will visit South Africa in 2023 for joint phytosanitary inspections with DALRRD. The inspector will arrive on the 2nd of April 2023.

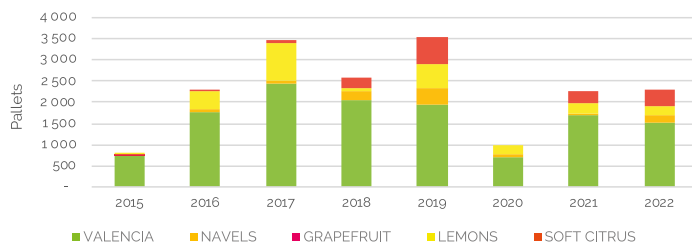
The South Korean list will only be approved once the inspector had visited some farms and packhouses.

Volumes – Although the export volumes to South Korea increased in 2022, they are still well below the pre-2018 levels. Grapefruit remains the most in demand.



Indonesia

Volumes – Export volumes in 2022 were on par with 2021.



Russia

The Russian invasion of Ukraine on the 24th of February 2022 sent shock waves around the world. With the world still reeling from the global pandemic, the invasion was condemned by most nations. The disastrous humanitarian impact of the invasion, the loss of life, and the destruction of property and livelihoods cannot be condoned in the world today. From a southern African citrus perspective, we watched with concern as the invasion escalated – on average between 8% and 10% of southern African citrus was exported to Russia. However, the CGA representative in Russia, Mikhail Fateev, predicted that the invasion would have little impact on southern African citrus exports to Russia and, thankfully, he was proved correct. Contrary to all expectations, the volume of citrus exported to Russia in 2022 exceeded the previous three years' volumes.

The increases in mandarins, navel oranges, and lemons more than made up for decreases in exports of Valencia oranges and grapefruit.

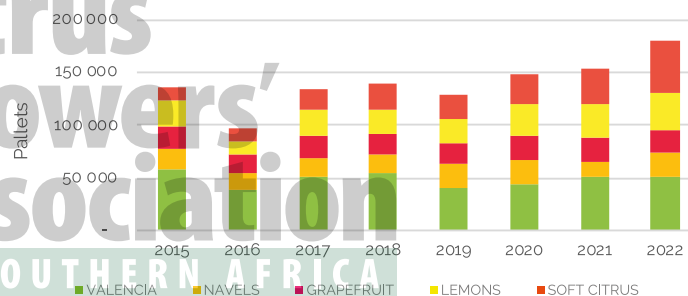
Despite the increase in export volumes, exporters to Russia reported difficult trading conditions. As the season started, shipping opportunities were limited as sanctions impacted trade flows. The cost of shipping to Russia also increased considerably, resulting in poor returns to the grower from that market. Most exports were shipped in specialised bulk reefer vessels, with a vessel loading out of Durban on a weekly basis, in most cases calling on Gqeberha and Cape Town on its way out.

CGA Representative in Russia: Mikhail Fateev continued to represent southern African citrus interests in Russia. Mikhail used all opportunities to engage on issues facing the industry and in building links between South Africa and Russia. Mikhail prepared a weekly newsletter which is distributed to the Russian Interest Group.

BRICS: Mikhail used his position on the BRICS Business Chamber to raise South African citrus issues.

Labelling: This remains an issue in Russia. Anton Kruger (FPEF) and Mikhail Fateev (CGA) continue to use every opportunity to raise the issue and bring about a workable solution.

Volumes



Thailand

Interpretation of current FCM Cold Treatment Protocol; Inclusion of improved FCM cold treatments; and Exclusion of lemons from the mandatory cold treatment

Concerns about the reasons for the rejection of table grape and citrus consignments in Thailand resulted in exporters terminating further fruit exports to this market. A consolidated response from citrus and table grapes was submitted to Thailand DOA on the 7th of October 2021. As part of the response, DOA was requested to include the improved FCM cold treatments in the protocol, to remove the mandatory FCM cold treatment for lemons due to its FCM non-host status, and to correctly interpret the cold treatment as specified in the protocol (revised wording was proposed to

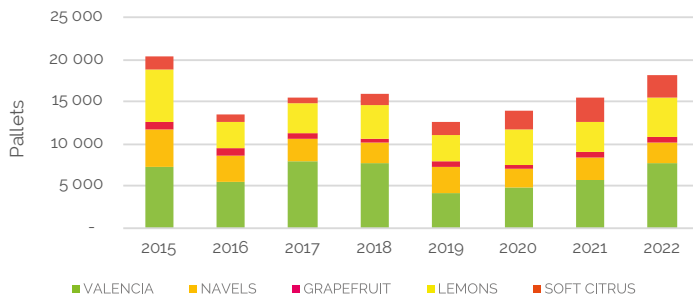
avoid confusion). Despite several follow-ups by DALRRD and Fruit South Africa's visit in November 2022, a response on the outstanding issues was only received on the 2nd of February 2023, the day before a bilateral meeting between DALRRD and DOA on the 3rd of February 2023. The response included a draft import protocol that did not address any of the three outstanding issues.

The DOA proposed further limitations to the implementation of cold treatment. The improved FCM cold treatments were not included and the request to exclude lemons from the FCM cold treatment was not addressed. In the cover letter, DOA made mention of the request to include the two better treatments but did not say if they reject, accept, or are willing to discuss this. They also indicated that more time is needed to obtain additional information to conduct a risk assessment to decide on the exclusion of lemons from cold treatment, despite the fact that DALRRD provided all the available relevant scientific information.

CRI provided a response to DALRRD that DALRRD provided to DOA on the 17th of February 2023. In the response, DALRRD indicated that the draft import protocol could not be accepted.

Fruit South Africa advocacy trip to Thailand: In October 2022, Paul Hardman travelled to Thailand as part of a Fruit South Africa delegation to visit with Thai officials, importers, and the South African Embassy in Bangkok. In addition, Paul attended the Asia Fruit Logistica trade show which was held in Bangkok.

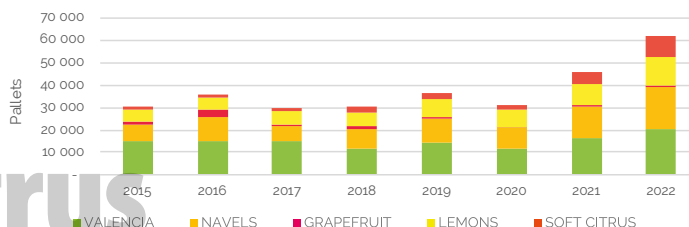
Singapore



Volumes – Singapore remains an important destination for South African citrus – with 18,000 pallets shipped in 2022, trending back to the 2015 high of 20,000 pallets.

Malaysia

Volumes – Malaysia is a significant importer of South African citrus. In 2022, it imported 62,000 pallets of citrus, which is a significant increase from the previous year.



General

Citrus One-Pagers

CRI provided inputs to the Phytosanitary Requirements and Working Procedures for the export of citrus from RSA to Taiwan, Thailand, Philippines, South Korea, China, USA, and Japan. The documents were circulated to the industry.

Botswana

A request was received from the Botswana NPPO and producers to assist with technical information pertaining to potential export markets. Information was provided on how to compile a pest list, conduct surveys to determine the presence of pests in the country, apply for market access, and complete pest information packages.





EU MARKET ACCESS

Dean Joubert

Rocco Renaldi

Dr Elma Carstens



General

The southern African 2022 marketing year in the European Union (EU) was dominated by the Commission's unilateral mid-season change in the orange market access regulation regarding FCM, which was issued on the 14th of June 2022. This resulted in a catastrophic estimated loss of R200 million for the South African citrus industry.

Despite this, the EU and UK together accounted for a large majority of the citrus exports from southern Africa, with a combined total of 65.1 million 15kg-equivalent cartons. This accounted for 41% of the total 161 million 15kg-equivalent cartons of the South African crop. The EU alone imported 52 million 15kg-equivalent cartons, while the UK imported 13.4 million 15kg-equivalent cartons. The UK and twenty-seven EU member countries have maintained the same consumer base for nine years. However, what is remarkable is the 56% growth in exports over an 8-year period, despite the increasing access challenges over the past 4 years.

The resilient citrus industry in southern Africa was again able to absorb and adjust mid-season to the more complicated EU market access conditions, without any significant disruption to its delivery of excellent citrus fruit to EU consumers. The Bureau for Food and Agricultural Policy (BFAP) studies have concluded that the annual opportunity cost of regulations for citrus black spot (CBS) and false codling moth (FCM) in the EU market for the citrus industry, remains in excess of R3.4 billion. Add to this the estimated cost of R295 million for the EU's new cold-treatment regulation and the excessive shipping costs catastrophe, and it is a testament to the challenges experienced by growers in the

2022 season. In September 2022, the South African Government intervened and declared a dispute at the World Trade Organisation (WTO) with the EU, concerning the FCM regulations. This move was met with the expected delaying tactics from the EU, but at least the matter is officially underway to address the politics and protectionism characterising the EU's DG SCoPAFF's agenda for the past ten years.

Fortunately, the UK abandoned the requirement for phytosanitary certification on citrus fruit exported to their market after Brexit (since the 1st of February 2020), which has allowed smooth access for southern African citrus over the past three years, occasionally creating an oversupply.

EU Market Access

New FCM Protocol

The implementation of the new FCM protocol on southern African citrus mid-season on the 14th of June 2022 set a new low for DG SCoPAFF's already questionable internal political agendas. This was devastating for the orange export season, resulting in losses in excess of R200 million with fruit stuck between implementation and interpretations.

A Freshfel study, based on EU internal statistics, indicated that Spain at 50.6%, Italy with 25.7%, and Greece with 11.2% make up 87% of the EU orange market share, while South Africa's market share dropped from 7% in 2021 to 6.4% in 2022. These statistics casts further doubt and confusion on the protectionism of DG SCoPAFF and the Spanish proponents, who consider South Africa a danger to their own orange campaign.

Adding to this, the South African volume is mostly counter-

seasonal, supplying the EU consumers with oranges when there are no oranges available from EU member states. Therefore, retaining the South African supply should be in the interest of the EU orange category and contribute to the orange producers' marketing and sustained consumption campaign.

The sudden protectionist stance of the EU has brought to the fore the fact that Egypt and Turkey supply citrus throughout the EU member states' season, and now the calls for measures against those countries competing with Spain are growing louder. However, this is not the right approach to take as the EU is well-placed to use its excellent citrus to drive up efficiency and competitiveness in the market, which will make their citrus sustainable and ensure growth.

A small group of protectionists are blocking access to high-quality counter-season citrus fruits, which could have a dramatic effect on the market. If these protectionists don't come to their senses soon, they may find their stores devoid of citrus fruits during parts of the season. As consumers turn to alternative fruits, the citrus category in the EU could suffer significantly. Unless the protectionists change their stance, they risk being left behind.

FCM

The two FCM interceptions recorded during the 2022 EU citrus marketing season were significantly fewer than 2021 and once again demonstrated that the False Codling Moth Management System (FMS) and CBS Risk Management System (RMS) are effective management tools.

The low number of FCM interceptions also demonstrated that the CRI's ability to research, develop and implement risk management systems, practical measures, and protocols is world-class. The EU's decision to ignore the low interceptions and unilaterally implement completely inappropriate and disproportionate measures will no doubt be seen as a textbook example of "government overreach" in times to come.

CBS

In the 2022 season, there were twenty-nine interceptions for CBS,

which was much better than the forty-three in 2021, but a lot of work remains to be done to further improve the situation. It is becoming increasingly clear, however, that this matter should also be challenged at the WTO level. South Africa has invested heavily in managing this risk, but the cost could become unsustainable in the future, taking into account that Citrus Black Spot does not pose any significant phytosanitary risk to the European Union.

The relationship between the EU and South Africa remains difficult, yet during each engagement, the South African government has offered a clear statement on the EU's protectionist stance on South African citrus. This stance has been criticised as one-sided, unscientific, sloppy, and politically motivated, particularly in terms of the phytosanitary measures taken. The South African dispute on FCM will be widened to include CBS shortly if no resolution is made for the 2023 season on FCM.

As mentioned, the bilateral access to most other EU agencies and NPPOs remained practical and constructive. The commercial relationships with EU member state importers, agents, harbour authorities, etc. remained warm and allowed the South African citrus industry to convey its message.

EU Internal Relations

The COVID-19 pandemic has had a significant impact on EU monetary reserves, with the war in Ukraine further exacerbating the strain on the EU budget. Additionally, the virtually open EU borders, which have been loosely managed since the destabilisation of the North African countries in 2012, have resulted in an influx of refugees into southern Europe. This has caused an increase in the cost of living, and rising crime rates, which have further depleted government resources. It is becoming clear, that as the political landscape in the EU is becoming more conservative, deep divisions are developing between the EU Commission and certain member states. The shortage of funding to subsidise agriculture is playing a significant role in this dynamic.

The EU's Farm-to-Fork and Green Deal policies have had a dramatic impact on the agricultural sectors of most EU member states. Milk, meat, sugar, grains, wine, and fruit, among other products, have suffered from increased production costs as a result of these measures, leaving farmers in a difficult, complex, and unsustainable position. The growing rift between the EU Commission and its farmers, as well as their respective lobbies, has been increasingly evident in recent years, from street protests to demonstrations and open confrontations at policy meetings. In short, the EU's political drive for increasing the proportion of "green" and organic agricultural products is further alienating them from their agricultural base.

Southern African citrus must build on demonstrating the value of sustained EU citrus markets benefitting all.

UK

Since Brexit, which came into effect on the 31st of December 2020, and the final departure of the UK from the EU on the 1st of February 2020, the UK has become a relatively easy phytosanitary access market for South African citrus.

Despite pricing suffering somewhat, quality and choice remained the top priority of the UK consumer, meaning that the market looks to stay well-supplied with excellent fruit. With 13.4 million 15kg-equivalent cartons, constituting 8.3% of total exports, reaching the UK, it is the second biggest individual country market for citrus after the UAE. The Netherlands received the highest amount of citrus but largely acted as a hub for other countries in the European Union.

From April 2021, no phytosanitary certification was required for South African citrus exported to the UK. This transition occurred seamlessly and even the exception of Northern Ireland, which remains subject to EU import requirements, did not complicate matters.

South African citrus exports to the UK are subject to the UK Global Tariff regime (UK MFN duties post-Brexit) but the UK-SACUM EPA, which applies to Botswana, Eswatini, Namibia, Lesotho, Mozambique, and South Africa, has been in force since

the 1st of January 2021. The agreement is a rollover of the EU-SADC EPA in terms of tariff liberalisation commitments.

This means that all citrus belonging to the categories oranges (other than fresh, sweet [0805 10 80], Clementines [0805 20 10], Monreales and Satsumas [0805 20 30], Mandarins and Wilkings [0805 20 50], Tangerines [0805 20 70], "other" [0805 20 90], grapefruit (including pomelos [0805 40 00]), and limes [0805 50 90] are fully liberalised or zero duty.

For fresh, sweet oranges [0805 10 20] UK import duties under the UK SACUM EPA are as follows:

- 1 June to 15 October: 0%
- 16 October to 31 October: 2%
- 1 November to 31 November: 4.8% (the duty will be gradually phased out in the next 4 years at the same pace included in the EU-SADC EPA)
- 1 December to 30 April: 10%
- 1 May to 30 May: 2%

For lemons [0805 50 10]:

- 1 January to 30 April: 6%
- 1 May to 30 October: 0%
- 1 November to 31 December: 6%

Direct shipping to Spanish ports

A total of 685 containers were shipped to Spanish ports in 2022, down 221 from the 906 containers in 2021. It was a very limited programme for Spanish ports and only represented 0.69% of the total volume. Most containers were from the Western Cape. An embargo on unloading in Spanish ports was in place for most of the season after the previous season's six CBS interceptions in a short period, which occurred during the last two weeks of exports. The feedback and information were insufficient and inconclusive, if compared to feedback and detail received in other EU harbours. The CRI concluded that there was a fifty times higher probability of having citrus fruit served with a Notice of Non-Compliance (NONC) in Spanish ports. This risk is simply unacceptable and shipping to Spanish ports is to be reassessed in 2023.



2023 CGA Citrus Summit

RESPECTING OUR ROOTS, FORGING OUR FUTURE



Launched in 2015, the CGA Citrus Summit returned to the Boardwalk Hotel in Gqeberha in 2023, after a four-year hiatus. "Respecting our roots, forging our future" was the theme of the 2023 CGA Citrus Summit, held from 14 to 16 March 2023.

The Minister of Agriculture, Land Reform, and Rural Development, Thoko Didiza, opened proceedings, followed by a jam-packed programme of compelling speakers. John Purchase was the programme director.

On day one the programme included Bruce Whitfield, renowned author and radio presenter; André Snyders, an economist at Standard Bank; Ferdi Meyer, a leading agricultural researcher at the Bureau for Food and Agricultural Policy (BFAP); Justin Chadwick, CGA CEO, who presented Vision 260; Vaughan Hattingh and Deon Joubert leading a market access panel discussion with Nick Gutierrez, Lambert Botha and Mark Jensen; Wandile Sihlobo of Agbiz leading a transformation panel discussion with Louisa Maloka-Mogotsi, Bennet Malungane, Khaya Katoo and Eric Nohamba; Mitchell Brooke exploring road and rail logistics; Portia Derby, Transnet Chief Executive, who shared the Transnet vision to support industry growth; and Thomas Eskesen, shipping expert.

Day two kicked off with rugby legend Schalk Burger Jnr and Andrew Paterson from Mpact who discussed team culture and dynamics, followed by Tracy Davids, who drilled into citrus-related studies conducted by BFAP. International speaker Anselme Cleron from CIRAD unpacked global citrus trends, and John Valentine from RED Communications covered aspects of fruit promotion and development programmes, while Graeme

Codrington advised on how to avoid being a casualty of disruption. Paul Hardman shared insights about the EU Green Deal and Penny Byrne from Standard Bank highlighted relevant aspects on the South African Energy Outlook.





2023 CGA Citrus Summit

RESPECTING OUR ROOTS, FORGING OUR FUTURE

The Boardwalk Hotel, Summerstrand, Gqeberha

14-16 March 2023

As always, the CGA extends a big thank you to all its sponsors for contributing to an insightful and enjoyable event.

- **Standard Bank** (repeat event partner)
- **Wonderful Citrus** (platinum sponsor of the gala dinner)
- **Winfield United** and **John Deere** (gold sponsors of the welcome function and pre-summit study tours respectively)
- **Bayer** and **Sunkist** (silver sponsors)
- **Capespan** and **Janssen PMP** (bronze sponsors)
- **AgrigateOne**, **Houers**, **Mpact** and **River Bioscience** (session sponsors)
- **Villa Crop**, **Clemengold** and **RSA Group (IMS Holdings)** sponsored notebooks, the hospitality novelty bar and wine at the gala dinner
- **Kaap Agri**, **Prophet Systems**, **Sunkist**, **The Co-Op**, **Safpro**, **Winfield United**, **PPECB** and **Rodanto Ltd** (sponsors of the youth leaders and emerging growers)
- Various other advertisers in the Summit handbook and providers of inserts for the Summit bags



There was plenty of time for much-needed networking, catch-ups with old friends, vibrant entertainment by the talented Agri's Got Talent finalists and a Marimba band. As the saying goes, "a picture paints a thousand words".



2023 CGA

Citrus Legends

Since the inauguration of the CGA Citrus Summit in 2015, the announcement of the three new Citrus Legends has become a highlight of the programme during the gala dinner event.

Chosen by their predecessors, the legends are recognised for their contribution to the achievements and reputation of the CGA, their impact on the growth, profitability, and sustainability of the citrus industry, and the significant role they have played in making the southern African citrus industry globally competitive.

The identity of the legends is a tightly-kept secret and those in the know are sworn to secrecy. During the gala dinner at the CGA Citrus Summit, the 2023 CGA Citrus Legends were announced as Dr John Purchase, Kallie Schoeman, and Arend Venter.

In addition to a certificate of recognition, this year the three legends also received framed rugby jerseys, signed by rugby legend Schalk Burger Jnr. These were handed to the Citrus Legends by the CGA CEO, Justin Chadwick, together with Dr Jock Danckwerts and Peter Nicholson, two of the first Citrus Legends in 2015.



Dr John Purchase

John has received many accolades over the years, including the Alumnus of the Year from the University of the Free State in 2011; the South African Agricultural Writers Association Agriculturist of

the Year award in 2012 and Knight of the Order of Agricultural Merit for his service to agriculture and agri-business, from the

French Government in 2018. "I am not sure if we should address him as Sir Legend", said Justin Chadwick during the awards ceremony. John attended one of the premier rugby schools in the country, Grey College, matriculating in 1976. During his years in organised agriculture he made a remarkable contribution to the citrus industry. His appointments to Business Unity South Africa committees and National Economic and Labour Council (NEDLAC) task teams put John at the front where industry meets government and labour. His philosophy is to treat people with dignity and respect, and his ability to do this meant that he was trusted in these circles and could further the goals of industry. There was never a problem too big or too complex for John – whatever issue the citrus industry, and the wider agricultural sector was facing, John found a way to assist. His more recent work on the Agriculture and Agro-processing Master Plan has tested his patience and philosophy to the limit. He has managed to cut through the smoke and dust created by those who break down and disrupt, in order to create a vision and a plan for those who want to build a South Africa for our children. Although retired, he continues to drive his vision as he stated in a recent interview:

"As a country, we face extraordinary challenges, but we must continue to build both social cohesion and the competitiveness of all our agricultural value chains through cultivating respectful partnerships. A failure to do so will no doubt condemn us to a failed state and dire consequences".



Kallie Schoeman

Kallie started farming lettuce, tomatoes, cabbages, and beetroot on 10 hectares of land back in 1974. Soon thereafter, at the age of 24, he was appointed

Managing Director of the family farming business, which had been in existence since 1919. Kallie realised the importance of focus and decided to concentrate on citrus as a replacement for table grapes – a bold step when his grandfather had been called the father of soft fruit of the Transvaal.

He has built the business to ten times the size than when he began in 1978, in the process diversifying to downstream and upstream value-added businesses. He is now the Group CEO of one of South Africa's biggest agricultural family concerns, farming 1,500 hectares of citrus, 9,500 hectares of maize, soya beans, and white beans in the High veld region, and 1,700 hectares of wheat, maize, beans, and pecan nuts in the Northern Cape. The Schoeman group owns 24 maize and soya silos with a capacity of 52,800 tons, and has invested in the fertiliser sector.

Kallie believes in family and community. He has addressed many audiences on how to manage family farming, succession, and expectations. He has a novel approach to upliftment, an approach that requires the beneficiary to earn the benefits. Dry, white beans are a big part of his business and Kallie probably has to answer for some of the methane gas emissions in South Africa – as he provides 60% of the beans used by Koo in their canned baked beans.

Kallie loves his quotes and clichés. When opening the CRI Research Symposium, he finished with the quote *"Get bigger, get better, or get out"*, in an interview he stated that *"If people lead, the government will follow"* and the farming group's mission is to be *"As good as the best, and better than most"*. He believes he was destined to farm as his name means *"bewerker van die grond"*.



Arend Venter

"Remembering our roots, forging our future" was the theme of the 2023 CGA Citrus Summit and there are few in the citrus industry that have deeper roots than Arend Venter. Oom Arend dedicated

his life to the citrus industry. In 1964, he started in the technical department of the Citrus Exchange, moving up the ranks in 1975 to Operations Manager of the local marketing department and in 1979 he was appointed as the Assistant General Manager.

After deregulation, Oom Arend joined Dole, where the knowledge

and vast network that he built up over the years gave Dole a headstart on the competition. His knowledge of every citrus variety, his relationships with individuals both in the citrus sector and the wider agricultural sector, and his keen eye for detail meant that Dole and its marketing plans went from strength to strength.

Many of those who had the privilege of being mentored by Oom Arend still display the values that he reflected – treating all people with respect, working hard, and building solid relationships. There is truth and realism in his words, *"You can't be everything to everybody, somebody is bound to be upset with you"*.

As the industry emerged from the regulated era, he chartered some stormy seas and led some fiery meetings as chairman of the Citrus Marketing Forum from 2006 to 2008.

The quote *"Do what you love, love what you do"* is synonymous with Oom Arend – he enjoyed what he did, lived to work, and loved the citrus industry. He is still working as a consultant in the industry. You could also easily identify Oom Arend at meetings sporting his branded, leather jacket.



Arend Venter, Schalk Burger Jnr, Kallie Schoeman, Dr John Purchase

LEGENDS OF THE PAST

2015 – Hoppie Nel, Dr Jock Dankwerts, Peter Nicholson

2017 – Edward Vorster, Freek Dreyer, the late Hennie le Roux

2019 – Milaan Thalwitzer, the late Gerrit van der Merwe Snr, David Lotter



CRI - RESEARCH & TECHNICAL

Dr Vaughan Hattingh



Governance and funding

The 2022 year was the second year of the CRI 4-year plan, supported by the current levy. The increased funding has enabled CRI to take significant steps towards ensuring its value add to the industry, in line with its mandate "to maximise the long-term global competitiveness of the southern African citrus growers through research and technical support services". In line with the 4-year plan, CRI has increased research infrastructure through capex investment in research equipment, purchasing a research facility in Gqeberha, and purchasing a seed farm not far from the Citrus Foundation Block (CFB). Infrastructure at the Citrus Research Centre in Nelspruit will be upgraded in 2023. CRI was able to upscale research from 75 projects in 2020/21 to 132 projects in the 2023/24 budget, through both an increase in internal CRI capacity and expansion of the research collaboration network. Whereas the cash flow constraints experienced in the first part of 2021/22 delayed some of CRI's planned upscaling, good progress has been made and the upscaling is on track to deliver as envisaged in the 4-year plan.

The structure of the CRI board of directors remained unchanged with the CRI executive committee consisting of Piet Smit (chairman), Deon Joubert (vice-chairman), Mike Woodburn and Eddie Vorster, with Piet Engelbrecht serving as the most recently appointed director. The CRI advisory committees were chaired by the following directors: IPM – Fanie Meyer; Disease Management – Eddie Vorster; Citriculture – Piet Smit; Cultivar and Rootstock Evaluation – Deon Joubert; and Citrus Improvement Scheme Advisory Committee (CISAC) – Fanie Meyer. The balance of the board consisted of: Steve Turner (Citrus Exporters Forum), Nthabiseng Motete (ARC), Chris Kellerman (Citrus Consultants),

Nigel Barker (University of Pretoria), Danie Brink (Stellenbosch University), Martin Hill (co-opted) (Rhodes University), and Louisa Maloka-Mogotsi (Citrus Growers Development Chamber, co-opted as an observer).

Market Access

In addition to the market access section of this publication, the following items are highlighted here. A Vietnamese delegation visited the South African citrus industry in 2022. The outstanding technical issues were addressed, but the Vietnamese thereafter added two fruit flies to the list of quarantine pests. The inclusion of these species is without technical justification, since citrus fruit from southern Africa is not a host for these species and hence South Africa has objected and no protocol has as yet been finalised. Live video inspections were conducted for the second time to enable China to approve the list of facilities, including production units, packhouses, cold storage facilities and inspection points, for the 2022 export season. The list of



facilities was approved for the 2023 export season without the need for live video inspections. Agreements were reached for pre-clearance inspections for 2022 exports to the USA, South Korea, and Japan to continue on the same basis as for the 2021 export season. Several engagements were undertaken with DALRRD to address concerns about compliance with the phytosanitary requirements for exports to South Korea. The increased regulatory focus for the 2023 export season will be on verification during registration approval and stricter corrective actions for packhouses. CRI continued to play a key role in preserving market access to the EU. The implementation of the new EU FCM regulations in the middle of the 2022 export season led to major disruptions and costs. Consignments not complying with the new declarations of the EU FCM regulations were blocked in EU ports. Procedures were rapidly developed to get the blocked containers released, and through extensive efforts, all of the blocked containers were eventually released. The FCM Management System (FMS) and the CBS Risk Management System (CBS RMS) were amended for the 2023 season to ensure compliance with the EU regulations and to address findings of the EU audit. Cutting Edges were communicated to industry to explain the changes. Some longstanding market access issues remained outstanding, such as wider access for USA exports, wider and improved access to Japan, and improved conditions for access to India.

Research

As envisaged in the CRI 4-year plan, CRI has significantly upscaled the research portfolios. Several internal research appointments were made, and the number of research collaborators has increased significantly. The level of research provided for in the 2023/24 CRI budget has now achieved the level of research operations as envisaged in the 4-year plan and the current levy cycle. Given the size of the research portfolios, it is impossible to summarise progress in this report (refer to the CRI Group Annual Research Report for a comprehensive overview), but the following is a selection of some of the more topical research areas in the portfolios.



Within the Disease Management portfolio, research on graft-transmissible diseases supports the CIS and helps maximise long-term productivity in all citrus cultivars. A comparison of shoot tip grafted citrus with old clone material confirms that the CFB material produces larger canopies and a higher cumulative yield than trees made from field cut material. Research to identify early indicators of CTV-induced stem pitting is being conducted to aid the selection of CTV cross-protection sources. New research is also being conducted on possibly shortening the cleaning process before budwood is approved for the CFB. Hano Maree is coordinating a research programme on *Huanglongbing* (HLB), where he is responsible for research on greening disease characterisation and mitigation. He is also evaluating the efficacy of an area-wide management strategy for the combined control of a vector and a disease, using *Trioza erytreae* and '*Candidatus Liberibacter africanus*' (CLaf) as examples. Other research in this programme includes the development of more rapid HLB detection assays.

In the Preharvest Diseases programme, research continued on *Phyllosticta citricarpa* (citrus black spot), including new spray programmes, further validation of CBS diagnostic protocols, and potential inoculum sources for the establishment of CBS in new citrus orchards. New spray programmes continue to be evaluated for *Alternaria* brown spot and the Alter-Rater risk model is being

verified. Treatments for nematodes continue to be evaluated, in addition to field sprays of phosphonates for *Phytophthora* when using different rootstocks. Research also continues on the management of Valley Bushveld Decline.

In the Post-Harvest Diseases programme, screening of possible packhouse treatments continued. Rind extracts are being assessed for antifungal activity. The management of postharvest diseases in the field shortly before harvest is under investigation. Evaluation of biological control agents for pre-packhouse and packhouse drenches is giving promising results against sour rot. Mixtures of sanitisers and fungicides also gave encouraging results against *Phytophthora* brown rot.

In the Integrated Pest Management research portfolio, most funding was again spent on False Codling Moth (FCM), with Other Pests being the second most funded programme, followed by fruit fly. The Other Pests programme is receiving more attention due to increasing populations of mealybug, especially in orchards under nets. Research on field control options for FCM continues, in addition to further work on mating disruption. Improving postharvest detection of FCM is also receiving attention. In the Other Pests programme, a research project is focusing on the taxonomy of psyllids in order to be able to distinguish the Asian Citrus Psyllid, *Diaphorina citri*, from indigenous *Diaphorina* species. Some similar species have been caught on yellow sticky traps that can now be distinguished from *D. citri*. This information will assist CRI Biosecurity staff in reading surveillance traps. Attempts to identify *D. citri* on traps using photographs and visual recognition software are underway, as well as refining predictions of where *D. citri* is most likely to enter the country. Flat mite species in the genus *Brevipalpus* are now receiving attention because some species complexes have been identified and some species are vectors of leprosis disease, so their distribution needs to be known.

The red scale parasitoid, *Aphytis melinus*, is now available from commercial insectaries, so research evaluated the efficacy of augmentative releases of this parasitoid for the control of red

scale. Over multiple seasons, no significant improvement of control could be attributed to the releases, but the indigenous species, *A. africanus*, was effective when it was conserved. Both preharvest and postharvest treatments for the control of mealybug species on citrus are under investigation. Hyperparasitism, where parasitoids attack beneficial parasitoids of mealybug, has been shown to sometimes be detrimental to late-season control of this pest. Three research projects on fruit flies are benefitting from international funding. Research has been conducted on different bait stations that recently became available to citrus growers, and research continued on postharvest cold treatments for fruit flies. Interrupting a cold treatment for the control of Medfly for several hours did not have a negative impact on the control mortality of larvae at the end of the treatment. X-ray technologies are currently being evaluated for the postharvest detection of fruit flies in citrus.

In the Citriculture portfolio, it has proved difficult to strongly expand the collaborator network because few institutions conduct horticultural research on citrus or even subtropical fruit trees. With possible increased future threats to water supply, there are three projects on improving the efficiency of irrigation, determining when water stress is most detrimental to the plant, and optimising nutrient use efficiency in different drip systems. Another project compares the ability of different rootstocks to withstand stress in Valencias. The promotion of young tree performance and enhancing the healthy lifespan of trees is also under investigation. Cover crops are being evaluated to see whether they can contribute to more sustainable orchard performance. In the rind condition and cold chain programme, a project is being conducted to determine the influence of shade net and rootstock on the incidence of oleocellosis in navel oranges and lemons. Research to find alternatives to 2,4-D for calyx retention also continues. Research to improve degreening results is underway, and an investigation of the fundamentals involved in chilling injury. Several projects are focused on cartons, pallets and improving cold treatments. A new test is being developed for evaluating carton strength, and research

on improving pallet designs and containers for optimal cold treatments is being conducted.

Within the Citriculture Research portfolio is the Cultivar Evaluation programme, although it has a specific research committee. Recently there has been an increase in the evaluation of new rootstocks with the hope that some may have a tolerance to HLB or be ideal for specific growing conditions. Research on the high incidence of chimeras in some Valencia cultivars is continuing. A Cultivar and Rootstock Information Platform is also being developed that will provide a means of making the results of evaluations more accessible and user-friendly. Evaluations of cultivars continue in all production areas, and more frequent cultivar demonstrations at workshops have proved popular with growers.

Extension

During the 2022 season, the operations of the Extension Division gained good momentum due to the fact that physical meetings and one-on-one extensions could again be pursued after COVID-19 restrictions were lifted. Adding to that was the successful appointment and integration of two additional Area Extension Managers and two additional Postharvest Extension Officers. The study groups once again became very active in the production areas, and a number of additional packhouse forums were established to take postharvest extension to a higher level. The Citrus Research Symposium, which was postponed for two consecutive years due to COVID-19, was held in August 2022. The popularity of the symposium has increased to such an extent that the registration process had to close six weeks in advance due to the overbooking of the venue. A record attendance of 830 delegates and excellent presentations by the speakers accounted for a very successful symposium. The symposium was followed by the very important annual CRI Integrated Pest and Disease Management Workshops, held in the main production regions during August and September. During January and February 2023, the annual CRI Postharvest Workshops were again hosted in six production regions, and the feedback on

the topical and practical presentations was really inspiring. A number of training courses on various topics were presented by Extension staff in certain regions and will be rolled out to all the other regions within the next two years. Good feedback was received on the short and powerful YouTube training videos that were loaded onto the CRI website. Although the accreditation process for carton manufacturers continued throughout the season, the decision was taken at CRI board level late last year to review the accreditation system, to arrive at an improved system for the future. The results of the carton tests in 2022 were generally good, indicating that cartons were complying with the minimum specifications. One of the biggest challenges from a packaging point of view was the successful implementation of the new A15C carton design with improved ventilation, due to the difficulty of effective gluing of shortened flaps. The Exporters Technical Panel meeting, which took place in November, was very well attended with good inputs and discussions among the attendees. The implementation of the Extension Customer Relationship Management (CRM) communication system is a huge improvement towards more effective communication and modernising technology transfer.

Biosecurity

CRI continued its African biosecurity collaborations as part of proactive actions to prepare for the inevitable incursion of HLB, and its primary vector, the Asian Citrus Psyllid (ACP). In addition to ongoing biosecurity activities in South Africa, Zimbabwe and Eswatini, CRI continued engaging with contacts in Mozambique, Namibia, Botswana, Zambia, Kenya and Ethiopia, in pursuit of collaboration and regional awareness relating to the threats posed by HLB and ACP. Engagements and collaborations were also advanced with international contacts in Turkey, Brazil and the USA in pursuit of knowledge sharing and information exchange relevant to pests and diseases of biosecurity concern to southern Africa. Engagements and collaboration continued with CGA grower members in Zimbabwe, leading to the setting up of a network of surveillance and monitoring sites along the eastern border with Mozambique, being a high-risk region for



the potential incursion of HLB or ACP. Likewise, surveillance and monitoring sites were added in northern KwaZulu-Natal, as these sites were identified as high-risk entry pathways and corridors for HLB or ACP into South Africa. The intention is to steadily increase surveillance, monitoring and scouting efforts to improve the chances of early detection that would enable quick delimitation, containment and eradication response actions.

The HLB Steering Committee held virtual meetings every four months. The HLB/ACP Action Plan and HLB Safe System document for nurseries were subjected to international peer review by experts from Brazil and the USA who have accumulated considerable experience in the management of HLB and ACP. Valuable positive inputs were received on both documents, providing the assurance that both documents meet international benchmarks for early detection, preparedness and response actions while considering the peculiarities of southern Africa's citrus industry.

CRI hosted training for the third time on the identification and taxonomy of psyllids. The training was conducted by an international psyllid taxonomist supported by a CRI entomologist. The training was attended by eleven DALRRD inspectors who are responsible for the deployment, servicing, and initial screening of ACP traps being managed by DALRRD and five CRI staff. The training placed emphasis on making a distinction between the target pest, ACP, and indigenous psyllids that have a very close

resemblance to ACP which presents a significant challenge to the accurate identification of ACP. Accurate identification of ACP is critical for early detection of HLB/Las, since it is known that the spread of Las into new areas is primarily facilitated through the movement of ACP that have acquired HLB/Las. CRI has continued servicing a network of traps and monitoring stations that were established across selected frontier commercial orchards in Limpopo and Mpumalanga. The traps deployed by DALRRD and those by CRI (over 600 trapping points) are analysed and read at CRC, Nelspruit. CRI's Diagnostic Centre in CRC, as a DALRRD accredited lab, has continued analysis of ACP traps, citrus leaf samples and insect specimens.

Citrus Leprosis (CL) affected farms in the Sundays River Valley, were audited for compliance with the Citrus Leprosis Response Plan in July 2022, and will be audited again in July 2023. The audits focussed on pruning, spray programmes, weed control, mite presence, controlled movement of people and recordkeeping. Three new findings of Leprosis were reported in the Sunday's River Valley in 2021, and all are on or have ties to farms previously implicated. The Response Plan has been implemented in all the latest affected farms in the SRV. No new findings have been recorded since 2021.

Follow-up delimiting and detection surveys for African Greening ('*Candidatus Liberibacter africanus*', Laf) were conducted in Knysna, an African Greening free buffer zone between the citrus production regions of the Eastern and Western Cape provinces. Due to the continued detection of Laf-positive trees in this zone, it was necessary to re-evaluate the feasibility of maintaining this buffer zone. The HLB Steering Committee accepted a proposal from the African Greening subcommittee to do away with the buffer zone and rely on the natural buffer zone between the Western Cape and the Eastern Cape. The region of Knysna, Belvedere and Brenton-on-Sea will in future be regulated as an area of low pest prevalence (ALPP). This development was accompanied by a call for increased awareness and enforcement of regulations prohibiting the movement of citrus material from the Western Cape to the Eastern Cape.

Citrus Improvement Scheme

The 2022/23 season saw a massive drop in seed and budwood orders: seed orders were 70.1% down from the 5-year average of 5 986 litre/season, and budwood was down by 58% from the 5-year average of 6.6 million buds/season. The ability of the Citrus Foundation Block (CFB) to directly supply in demand increased to 86%, with the remainder of buds authorised for cutting in nurseries. Of the 9.22 million buds supplied in the 2019/20 to 2021/22 seasons, the top cultivar types were mandarin hybrids (34.2%), Valencia (24.4%), lemon (12.6%), navels (9.3%), Clementines (8.6%) and grapefruit (7.2%). The respective proportions in 2022/23 were 22.4%, 26.4%, 13.6%, 18.5%, 6.2% and 5.7%, with 4.7% of buds supplied for traditionally non-commercial cultivars (diverse, kumquat and limes), indicating an increased focus on the retail market by nurseries coping with the decline in tree orders from citrus growers. CFB cultivar stock stands at 526 cultivar lines, but the top 30 varieties comprised 83.3% of the total number of buds supplied in the past season. The top ten cultivars last season were Midnight Valencia, Royal Honey Murcott mandarin, Eureka lemon, Turkey Valencia, Tango mandarin, Jasi Valencia, Bennie 2 Valencia, Witkrans navel, Octubrina Clementine, and Cambria navel.

Thirty-five nurseries were certified in the last audit in November 2022, with twelve achieving a 5-star rating, twelve a 4-star rating, and six rated 3-star. In addition, three nurseries achieved a 2-star

rating. A CRI Cutting Edge with the certified nursery list, including the star-grading, was sent to growers. The industry's cultivar gene source is currently being duplicated at CFB in a state-of-the-art polycarbonate greenhouse. Documentation towards the promulgation of the CIS as a compulsory statutory scheme has been circulated amongst the relevant directorates in DALRRD for inputs, and will now go to publication in the Government Gazette for public comment, whereafter information sessions will also be arranged in the different provinces. Development of the CIS Seed Farm is a strategic objective to protect the industry's budwood supply from the biosecurity risk of future incursions by HLB and its insect vector ACP. A suitable farm was acquired in the Thornhill/Loerie area, and development was initiated in September 2022. Renovations, soil preparations and installation of irrigation should be concluded in June 2023. Trees have already been made and planting is planned after winter in August / September 2023.

The bulk of CIS funding is from the income from the supply of budwood and seed and the dramatic decline in demand compromises the affordability of the CIS and its strategic initiatives. The CIS is a strategic industry asset that supports a healthy and competitive industry. It is essential to ensure that the CIS remains positioned to be able to respond to a future upturn in demand, and not be a hindrance to future growth if circumstances should provide an opportunity for such increased demand. All discretionary expenditure in the approved 2023/24 budget for the CIS was reduced to the point of being able to supply the reduced demand and still preserve the value of the industry asset. The predicted downturn is expected to last for the next 4 years, and in these years CIS income will not cover expenses. The CRI board of directors agreed to use past CIS profits in the reserve fund to offset the CIS shortfall on breakeven. The current CIS cost structure breaks even at around 5 million trees per annum. To adjust the CIS income relative to the 3 to 4 million tree industry expected in the longer term, a price adjustment is required for seed and budwood. This price adjustment will be calculated based on 2023/24 forecasts and communicated with all stakeholders but represents only a small marginal component of the cost of the tree.





CGA CULTIVAR COMPANY

Jan Roberts



Administration

Tevan Lehman completed his MSc in Conservation Ecology and was subsequently appointed as technical manager at the CGA Cultivar Company in 2022. He has also completed his in-house training and is now tasked with the business development side of the cultivars managed by the CGACC. This entails managing a cultivar's arrival into the clean-up pipeline, evaluation, and PBR registration and, if the cultivar proves to be of commercial value, preparation for the cultivar's commercial release. On the financial management side, Reyhana Vadee, re-joined the CGACC team in December 2022 after returning from maternity leave.

Growers presented many challenges to the CGA and industry bodies at various occasions and forums, resulting in the CGA's 'Vision 260', which lays out a clear roadmap for the future of the industry. Many of these challenges are beyond the control of the growers, and this is no different for the nursery and cultivar sector.

The Citrus Foundation Block (CFB) has seen a significant reduction in the amount of budwood released. The CFB's 3-year average of 6.1 million buds has now dropped to only 2.6 million buds released this year, which has a significant impact on nurseries and the cultivar sector of the industry.

The fruit industry has faced many challenges in recent years, and growers have become more risk-averse when it comes to planting unproven cultivars and, as a result, new developments have shrunk. Many of these challenges, as highlighted by the Bureau for Food and Agricultural Policy (BFAP) in their forecasts presented at the Growers' Indaba and the CGA Citrus Summit, are out of the control of growers and industry, but it is critical that we address the challenges that are within our control. Only when

these are achieved, does the forecasts show steady improvement over the next few years.

New releases

CGACC, like most businesses, has been impacted by the economic downturn. However, despite the challenges faced, it has managed to withstand the effects to a certain degree.

This year, we have again released new cultivars, bringing the total to seventeen. Despite a decrease in sales per cultivar, the six latest additions have garnered early interest from growers. This development has helped us stay on track to meet our original sales targets. However, it's worth noting that this year's sales have decreased compared to our three-year average. We have gone from supplying 483 thousand buds per annum to 400 thousand. Another factor that has assisted us, has been the first sales of our cultivars offshore, in the Northern Hemisphere, where we have been developing them for several years for commercial release. These have assisted sales this year and will have a positive effect on sales in the coming years.

Looking ahead, in discussion with growers, the main concern is that even if conditions improve, the massive plantings of trees that have not yet come into production will be a longer-term problem of oversupply in certain varieties. Growers need to make critical decisions now. They must evaluate whether the young trees they have planted will mature in time to meet the expected supply peaks. Furthermore, there are certain cultivars that are falling out of favour in the market. Growers need to consider replacing their older, less popular cultivars with ones that are sought after in the market. Re-budding a nursery tree or top working a young tree is much quicker and cheaper than topping

an old tree. It is important to take action to ensure that recently planted varieties do not fall into an oversupply peak. This is crucial to make sure that these varieties are still in demand when the markets improve.

In the last decade, CGACC and other cultivar companies have looked at diversifying the cultivars in our collection to ripening windows that are not in predicted supply peaks. We have also diversified into evaluating other citrus types such as red pigmented oranges, mandarins, sweeter grapefruit, earlier seedless mandarins with earlier ripening Valencia, Navels with lower orchard waste, and rootstocks that are showing higher production and pH, salt, and disease tolerance. These cultivars are all in evaluation and the promising ones will be released in the coming years. On the point of diversification, it was interesting observing a fruit-tasting display at the CRI Research Symposium

in August where the red-pigmented Valencia and Navels were given preference and actually ran out, whereas the traditional orange-pigmented fruit was virtually untouched. Are we missing something here? If growers attending the symposium are planting traditional orange-coloured fruit but showing preference at a tasting display for red-pigmented fruit, why are we not planting them? Interestingly, the same phenomenon is seen in consumer fruit display trials.

Off-shore travel

The International Citrus Congress, which was held in Turkey from the 6th to the 11th of November, was attended by Jon Roberts and Tevan Lehman. Jon was then invited to attend a three-day tour of plant breeding and evaluation facilities in Turkey, which may present further opportunities for the CGACC in the future.

Below are some statistics of cultivars managed by CGACC (new releases are from number 7 down)

		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Turkey VAL	6 909	92 000	152 813	143 545	251 305	285 705	163 817	1 096 094
Bennie 2 VAL		110 148	136 533	122 078	235 789	164 525	116 020	885 093
Clemensoon CLE			1 020	10 585	27 730	36 912	44 835	121 082
Australian Finger Lime (CRC 3672) DIV	52				1 598	11 722	24 022	37 394
Suitangi NAV		1 895				3 700	21 315	26 910
Red Lina NAV		48 170	65 396	14 493	62 984	39 957	10 892	241 892
Mustang Early NAV						2 880	8 230	11 110
Rosalate GR NAV							4 289	4 289
Pink Eureka LEM						35	2 410	2 445
Kinsei (Dekopon) MAN				27	1 726	7 433	2 125	11 311
Alicedale (Wonder Why) VAL					120	575	2 000	2 695
Addo Early (EH) NAV		13 595	2 560	2 500	2 400	1 060	500	22 615
RBC 01 MAN					16	780	180	976
De Wet 1 (EDP-1) (5022) NAV		2 209				4 520	120	6 849
Kas 3 (TS Early) VAL							85	85
Mandorange MAN							80	80
Beli VAL		50	2 185	1 860	55	2 580	55	6 785
Florida 900 (CH-19-30) MAN			25	165	210	4 496	55	4 951
Kinsei (Dekopon) (2) MAN					110	4 568	50	4 728
Malinda 2 VAL					95	405	20	520
Kas (TS Early Midnight) VAL				95	1 565			1 660
Sunrise Early (LF Early 1) NAV		1 050	240			60		1 350
Grand Total	6 961	269 117	360 772	295 348	585 703	571 913	401 100	2 490 914

Commercially released cultivars

Turkey, Bennie, Clemensoon, and Red Lina Navel, have been released for a number of years. All have been affected by the downturn, but Clemensoon (early Clementine) and some of the niche varieties have bucked the downward trend. Red Lina, released this year in Spain, has already achieved higher sales in Spain than in South Africa.

New cultivars showing signs of bucking the downward trend are the Early KAS Valencia and Sweet Ruby Grapefruit hybrid (Florida g14). All budwood made to date has been booked for growers who want to plant small blocks for semi-commercial evaluation. Early seedless mandarin, Lee x Nova, and Florida 900 are being followed with interest by growers who want mandarins in the early window.

Rosalate Navel, a red navel ripening three weeks after CaraCara, continues to impress with three consecutive good crops in the first trial sites. Like Rosalina, the Rosalate bears fruit that has an external pink blush in the oil cells and as trees mature, the red lycopene pigment becomes darker than CaraCara Navel. The three Navels together will provide a season-long red navel line.



Cultivars that are showing promise in the evaluation phases.

- *Florida 900 mandarin*: As reported previously, this cultivar, characterised by its deep orange colour and excellent flavour, has again ripened in the early window between Satsuma and Clementine. In this follow-up year, a good crop was set with the fruit, which was grown in an isolated block under protective netting. The fruit is also seedless and an easy-to-peel. If the variety remains seedless when grown in isolated blocks in the coming season, the variety will proceed to first phase release.
- *RBC-01*: This is a high-quality, easy-peeling Mandarin, with consistently 11 to 12 seeds per 100 fruit in country-of-origin, Brazil. The oldest trial site in South Africa had a good fruit set in November, and will produce sufficient fruit to commence quality and seed evaluation in the coming season.
- *Kinsei Dekapon*: This is known as one of the finest eating Mandarins and completely seedless. The trees in trial sites produced their first crop this year. What was expected to be a cultivar requiring intensive management, the trees produced a large crop on 2-year-old trees, showing few blemishes or post-harvest shelf-life problems. The fruit set in November was good, suggesting that alternate bearing is not a problem.
- *Florida g14*: Sufficient budwood has been multiplied for the coming season of this sweet and safe, Red Ruby grapefruit hybrid. Evaluation trees have been planted and the first semi-commercial buds were supplied during the year under review for trial blocks in three grapefruit areas.
- *KAS Early Valencia*: The first clean plant material of this promising early Valencia reached the foundation block this year and all plant material has been used for budwood multiplication. The variety is three weeks earlier than Turkey Valencia, with better external and internal colour. KAS has 2 to 3 seeds with good production, smooth rind, and good internal quality. Small 'valve block'



plantings will be released to interested growers in the following season to evaluate management requirements of the variety in parallel with the normal CRI evaluation trials that have been planted.

- **Mandorange:** A Mandarin-orange cross and potential improvement on the Navel. It is a round 'Navel-like' seedless orange with a deep orange rind, and improved internal quality to the Navel orange. Evaluation will continue for the next two seasons to determine if it could be marketed in the Navel line as a high-quality Navel.

- Valencias that are still undergoing evaluation and of which in some cases, with permission of the owners, small plantings have been made to evaluate their management requirements, include:
 - Ngonini early Delta is three weeks earlier than Delta but with similar Delta characteristics.
 - Ratho Early SL matures in week 26, smooth with dark rind and good size.
 - Beli SL is earlier than Midnight with a smooth rind and good size.
 - Malinda, LS-SL late Valencia season, heavy bearing with smooth skin.
 - Wonder Why Midnight is high-yield in hot areas.
 - New signing: Moriah Early daughter trees have been planted in a trial site to evaluate probable value before clean-up.

• **Early Navels**

- Addo and Sunrise Early Navels continue to show advanced colour before other early Navels like Lina, Fukumoto, and Newhall. Following them a week later in ripening is Mustang Navel. Clean plant material is available and again small plantings have been made of this promising large and productive early Navel.
- De Wet Navel continues to evaluate well, showing little to no orchard waste due to the naturally closed navel end. Production is good and conversion to cartons per hectare is better than all Navels in trials due to minimal waste.

CGACC has imported C22 rootstocks, which were one of the standouts at the ICC Congress in Turkey in November. In recent years, the CGACC, together with CRI, has been instrumental in sourcing a range of rootstocks with possible resistance to HLB. CRI has set up trial sites to assess the commercial value of specific cultivars. The same cultivars continue to be evaluated for HLB tolerance in Florida where the disease is prevalent.





CITRUS ACADEMY

Jacomien De Hert



Citrus Academy Board of Directors

The board of directors for the year under review consisted of the following individuals:

Representation	Name	Date of Appointment
CGA	Phillip Dempsey (chairperson)	2012/11/20
Donors (Citrus Industry Trust)	Dr Hildah Lefophane (vice-chairperson)	2021/11/04
CGA	Marius Bester	2017/03/09
CGA	Bennet Malungane	2018/03/22
CGA	Frikkie Olivier	2020/09/08
Service providers	Johann Engelbrecht	2023/03/29
Additional seat	Vacant	

The company secretary, Robert Miller and the chairperson of the CGA Finance and Risk Review Committee (FRRC), Rajen Govender, attend board meetings *ex officio*, while the Chief Executive Officer of the CGA, Justin Chadwick, is invited to attend board meetings as an observer.

The following board meetings were held during the year under review:

Date	Meeting	Apologies
2022/10/11	Board Meeting	Bennet Malungane
2023/03/29	Board Meeting	Bennet Malungane

The fifteenth annual general meeting of the Citrus Academy was held at the Hilton Garden Inn, Umhlanga Arch, Umhlanga Ridge on Tuesday, the 30th of August 2022.

Financial Results

In the year under review, the development of learning material for occupational qualifications and for advanced citrus production practices continued. The development of the Citrus Secondary programme was finalised, and a work-readiness programme, Ready-Steady-Work, and a best practice handbook for citrus packing was developed. Unfortunately, the income from citrus short courses decreased significantly, as a result of the

financial strain experienced in the industry, while registrations for e-learning programmes increased significantly.

During the 2022/23 financial year, the Citrus Academy reported a surplus of R52 325, compared to the 2021/22 surplus of R14 748.

Alignment with CGA Strategic Objectives

The Citrus Academy is a non-profit company, established specifically to serve the transformation objectives of the CGA. All Citrus Academy activities are aligned with four of the strategic objectives of the CGA. The primary objectives in question are driving industry transformation and assisting growers' long-term sustainability. Secondary objectives pursued by the Academy are engaging with government and other stakeholders, specifically regarding human resources, and supporting the implementation of research and development through bursaries for students involved in research and assisting with technology transfer.

Beneficiary Demographics

Because the Citrus Academy is an essential component of the CGA's transformation drive, the demographics of its beneficiaries are constantly monitored. Beneficiaries are calculated as all programme participants, excluding user-pay programmes (short courses and e-learning programmes). Of the 937 beneficiaries to date, 80% are non-white, while 54% are female. In the year under review, beneficiaries were 80% non-white and 67% female.

Citrus Academy Bursary Fund

Citrus Academy Bursary Fund allocations are separated into three categories, namely Postgraduate Bursary Support, Undergraduate Bursary Support, and BEE Bursary Support. The BEE Bursary Support section of the Bursary Fund supports black-owned citrus enterprises to build their internal capacity and empower self-management. During 2022, almost R2.9 million was paid as bursaries to 62 beneficiaries, 23 in the postgraduate category, 17 in the undergraduate category, and 22 in the BEE-BS category.

Graduate retention remains satisfactory, with two-thirds of graduates employed in the fruit industry, academia, and government departments or agencies. More than half of those graduates are employed in the citrus industry. The Citrus Academy constantly strives to meet the demands of the industry for graduates.

The Citrus Industry Trust and the AgriSETA are still the major sources of bursary funding, while the contribution by companies from within the citrus industry keeps growing. Their continued support is appreciated.





Citrus Academy Bursary Fund Experiential Learning Programmes

The Citrus Academy creates opportunities for Bursary Fund students to gain exposure and experience while they are studying, and after they have graduated. Vacation work is arranged for all B-degree and diploma students, at workplaces where they can gain experience relevant to

their field of study. The internship and graduate placement programmes assist Bursary Fund students to find placements at citrus enterprises where they can gain work experience. Through the industry exposure programme, current and former students are assisted to attend conferences, symposia and other events that are relevant to their field of study.

These programmes continued to recover in the year under review, especially the Industry Exposure Programme, through which 21 students were sent to the CRI Research Symposium, the IFPA South Africa Conference, and the CGA Citrus Summit.

Career Fairs

The Citrus Academy takes part in regular career fairs, with the aim of creating awareness about the citrus industry and encouraging young people to study agriculture. During the year under review, the Citrus Academy participated in a number of events, both virtual and in person, including AgriCAREERConnect, the SRVM Career Exhibition in the Sunday's River Valley, and the AgriSETA career summit.

Pick me!

The Pick me! platform on the Citrus Academy website has proved a powerful tool to put work seekers in touch with potential employers. Work seekers are able to register their details on the platform, and recruiters can view the available candidates.

A bulletin with the details of available candidates by province is circulated to employers every second week.

Citrus Short Courses

Citrus Academy short courses are aimed at developing insight and understanding of particular aspects of the citrus value chain. In the year under review, two more short courses were added, bringing the total of available short courses to five, dealing with citrus production, citrus packing, citrus packhouse quality control, the citrus export supply chain, and citrus economics.

Participation in short courses reduced significantly during the year under review, most likely due to the financial strain the industry is currently experiencing.

E-Learning Programmes

In the year under review, more than two hundred learners enrolled for programmes through the Citrus Academy e-learning platform. The investment in e-learning programme development is paying off for the industry, with the versatility of this delivery mechanism making it suitable for a wide range of programmes.

All citrus short courses are available on e-learning. In the year under review, work was started to begin translating the short courses to Afrikaans, exclusively for e-learning implementation.

The Citrus Secondary programme was completed and the transfer to the e-learning platform was started, while a work-readiness programme, named Ready-Steady-Work, was developed for exclusive e-learning implementation.

Citrus Secondary Programme

The Citrus Secondary Programme is aimed at providing an opportunity for learners at schools in citrus production regions to achieve an NQF2 plant production qualification while still at school. The programme runs over two years, targeting grade 10 and 11 learners. The programme content and assessments are online, on the Citrus Academy e-learning platform. The development of the programme was completed during the year under review and will be piloted at schools in the Eastern Cape in 2023.

Continuous Improvement – Citrus Best Practice Handbooks

In order to support the long-term sustainability of growers and

packhouses, the Citrus Academy has developed best practice handbooks as practical resources for growers, packhouse managers and their teams. These handbooks aim to improve the most important business and operational practices that ultimately ensure competitive and sustainable commercial performance. The two Citrus best practice handbooks are available on the Citrus Resource Warehouse.

Learning Media – Audio-Visual Media

The Citrus Academy develops audio-visual learning modules on various aspects of citrus production. All Citrus Academy audio-visual material is available on USB, and can also be found on the Citrus Academy YouTube channel. Furthermore, audio-visual modules can also be downloaded from the Citrus Resource Warehouse members' section. No new series developments were undertaken during the year under review.

Citrus Resource Warehouse (CRW)

The Citrus Academy moderates and maintains an industry information-sharing platform where documents can be found that deal with all aspects of citrus production, including research reports, extension briefs, legislation and regulations, annual reports of CGA group companies, and many more. All documents are in searchable PDF format, which means that a variety of sources linked to keywords can be searched easily. In the year

under review, the toolkits and resources for the Citrus Packhouse Best Practice Handbook were developed and made available through the CRW.

Economic Transformation of Black Citrus Growers Programme

In 2020, the Citrus Growers' Association implemented the Economic Transformation of Black Citrus Growers Programme, aimed at providing support for enterprise development to black citrus growers. The programme is being implemented from April 2020 to March 2023.

During the year under review, the implementation period for the programme was extended to March 2024. Five learnerships were implemented under the programme during the year, in Brits, Citrusdal, Nkwaleni and the Sunday's River Valley while three Packhouse Worker skills programmes were held, in Nkwaleni and the Sunday's River Valley and ten bursaries were funded through the programme.





CGA GROWER DEVELOPMENT COMPANY (CGA-GDC)

Luthango Nkombisa



By the time the 2022 season started, growers had already survived the challenges of the COVID-19 pandemic, riots in KwaZulu-Natal and parts of Gauteng, and the cyber-attack on Transnet that closed the country's ports down during the height of the 2021 export season.

The 2021 season had been a difficult one for our industry, with exports dropping significantly. However, many of us were optimistic that the situation would improve, and the forecast for the upcoming season had given us some much-needed hope. But that optimism was short-lived as the Russian invasion of Ukraine happened just as the local export season was about to begin. This created a number of knock-on effects, most notably a surge in production costs for growers. This was especially difficult for many farmers as their profits had already suffered from the increased shipping costs as a result of the pandemic.

The CGA-GDC remains committed to supporting black citrus growers to overcome the challenges they are facing in this sector. The programmes that are offered by the CGA-GDC, offer technical and business support to ensure that the quality of the fruit for export is of the highest standard, as well as providing access to financing. These initiatives are designed to ensure that black citrus growers are able to weather the storm of challenges they are facing and that their businesses remain successful.

Our CGA-GDC team recently held a strategic session to discuss our plans for 2023 and beyond, and how we can best ensure that the CGA-GDC continues to operate effectively and make a positive impact on black grower operations by providing the support they need.

During the year under review, the CGA-GDC invested R40 million

into enterprise development for black citrus growers and has provided technical and production support through the extension services. The business support unit continues to provide support to our growers across a variety of programs.

Enterprise Development Fund

The purpose of the Enterprise Development Fund (EDF) is to address the specific business needs of existing black-owned and -managed citrus businesses. An amount of R9.5 million was carried over from the previous year's EDF and added to the 2022 allocation of R27 million, totalling R36.5 million. The industry has faced numerous challenges this year, most notably the rising input costs. In light of this, the focus of the EDF this year shifted from expansion and mechanisation to the provision of agrochemicals and fertilisers. This shift in priorities was motivated by a desire to save the current crop. Growers were requested to submit their spray programmes in order to determine their needs and to facilitate the appropriate allocation of resources. Once these programmes were received, the allocation plan was crafted according to the size of the enterprise.

Province	Number of farms supported	Amount
Limpopo	32	R10 097 529.49
Eastern Cape	31	R16 289 399.22
Mpumalanga	4	R2 498 297.35
Western Cape	3	R1 397 463.93
KwaZulu-Natal	5	R3 186 588.20
North West	5	R1 697 857.27
Gauteng	1	R99 591.00
Total	81	R35 266 726.46

Government Supported Projects

The CGA-GDC participates in two programmes under government partnerships, these are the Comprehensive Agriculture Support Programme (CASP), and Land Development Support (LDS) fund.

Comprehensive Agricultural Support Programme: The Comprehensive Agricultural Support Programme (CASP) is implemented by the Western Cape Department of Agriculture through its commodity-focused approach in an effort to extend its services to producers within the province. The programme is implemented through the Commodity Project Allocation Committees (CPAC). The strategic goal of this programme is to create a favourable and supportive agricultural service environment for the farming community, including subsistence, smallholder, and commercial land reform producers, as well as those involved in agri-processing within the Western Cape Province.

One project was approved to the value of R400 000, with the funds spent on production inputs. An additional application was submitted by FruitField Farming to the CPAC, which was tabled during an ad hoc meeting under 'farms in distress' and subsequently a further amount of R497 604 was approved for operational costs.

DALRRD's Land Development Support Fund: The Land Development Support programme (LDS), is aimed at providing comprehensive farm development support to land reform farms and addressing the gaps identified during the farm assessment process. The programme provides full grant support to farmers and it is implemented in partnership with commodity organisations.

The programme is implemented in three provinces, namely the North West province, Eastern Cape, and KwaZulu-Natal.

The North West province project is in its third year of implementation and progress includes the completion of infrastructure development for farm housing. Implementation in KwaZulu-Natal and Eastern Cape commenced during the year under review and included one project in the Eastern Cape and

two projects in KwaZulu-Natal. The Eastern Cape project included mechanisation support and land preparation for expansion. Progress to the two projects in KwaZulu-Natal included irrigation, land preparation, and plant material.

SIZA Environmental Standard

The SIZA Environmental Assurance model has been designed to assist growers in evaluating their current compliance and environmental risks, both at a farm and regional or catchment level. This process is accomplished through the completion of a self-assessment questionnaire (SAQ), the results of which feed into a risk profile report, which can be used to address market requirements, while informing the drafting of site-specific improvement plans and farm environmental management plans and monitoring systems. The questions included in the SAQ runs from minimum legal requirements to leading practice across four main topics, being water, soil, energy, materials and waste, and farm ecosystems and biodiversity.

Training on the SIZA Environmental Standard was implemented at two identified sites in the Kat River and Sundays River Valley. The scope of work included training and a comprehensive Quality Management System (QMS) in line with the SIZA standard. The QMS captured site-specific practices and processes. On-site gap analysis, management plans, risk assessments, and policies and procedures were also completed for the farms. Eight farms from the Kat River Valley participated in the training with a combined total of eleven attendees, while eleven attendees from nine farms from the Sundays River Valley also participated in the training.

As part of the implementation of the standard, the biodiversity assessment and invasive alien plant clearing plan at selected producers was conducted.

Integrated Monitoring and Evaluation System

BFAP is assisting the CGA-GDC to create an Integrated Monitoring and Evaluation system and the target is 124 black citrus growers. It is important to acknowledge that creating an integrated monitoring and evaluation tool requires a thorough comprehension of the operational and project process flows at

hand, as well as access to reliable data. Without credible data, it is impossible to provide reliable insights and analysis.

The extension officers played a crucial role in supporting the farmers in collecting the tree census data. By doing so, they have established a baseline for the monitoring and evaluation process. To date, 80% of the targeted 124 farmers' tree census data has been uploaded to the Monitoring and Evaluation BFAP platforms.

Study Group Meetings

During the year under review, 28 citrus study group meetings were held in all citrus-growing regions. The purpose of the citrus study groups is to encourage farmers to network and work together to resolve common production and marketing challenges. The citrus study groups continued to be used as a platform to communicate the CGA-GDC Enterprise Development Fund and Economic Transformation of Black Citrus Growers programme criteria and application procedures to the growers.

Information Days

These annual events are held in the major citrus-producing provinces. During the year under review, information days were hosted in Limpopo, Eastern Cape, KwaZulu-Natal, and North West. The Information Days are an opportunity for all relevant stakeholders in the development of black citrus growers to come together and share available opportunities for farmers. This includes government departments, financial institutions, and suppliers who play a major role in the industry.

New Entrant Support

Growers who are new to citrus farming are assisted by extension and business officers to do assessments of the areas they wish to plant. These assessments are done to determine whether the areas are suitable for planting citrus cultivars, with a focus on the availability and suitability of natural resources such as water, soil types, and climatic conditions.

One-on-One Farmer Support

The purpose of one-on-one interaction with farmers is to assist them in identifying their specific citrus production and marketing

challenges and to follow up on the challenges raised during the citrus study groups, information days, and other meetings.

Value Chain Participation of Black Growers

At the end of the year under review, there were a total of 117 black citrus growers, with 7,992ha of citrus under black ownership. In the 2022 season, black growers exported around 8.8 million 15kg-equivalent cartons, with an additional 220,000 tonnes of fruit sold in the national fresh produce markets. The number of exporting black growers has declined from 78 to 71 due to the numerous challenges faced by the citrus industry.

Economic Transformation of Black Citrus Growers (Jobs Fund)

In its third year of the implementation of the Economic Transformation of Black Citrus Growers (ETBCG) project. The status at year end was as follows:

Indicator	Target	Achieved
Total amount of funds approved		R115,700,523
Total amount of funds disbursed		R78,919,881
Hectares planted		64,19ha
New permanent jobs	178	70
New seasonal jobs	986	297

Since the inception of the programme, there was a shift in criteria for approving applications and a revision of implementation plans. This has had an impact on the job creation initially projected for the programme. Infrastructure development funded through the programme has resulted in short-term jobs, while new orchards that have been established do not yet require seasonal workers. A significant portion of the job creation will only be realised after the end of the project period.

Funding that has been approved and disbursed funds were spent on access roads, land preparation, irrigation infrastructure, farm equipment, vehicles, fencing, packhouse equipment, a de-greening room, generators, a solar system, and a substation.

CITRUS GROWER DEVELOPMENT CHAMBER

As part of its commitment to industry transformation, the CGA established the Citrus Grower Development Chamber (CGDC) in 2011 as a platform of engagement where emergent growers can raise and discuss matters of common concern. Directives from the CGDC are also taken on board by the CGA Grower Development Company and the Citrus Academy.

The CGDC consists of representatives elected by the technical study groups established for emergent growers in all citrus-growing regions. The CGDC usually meets twice a year, with meetings of the executive held when necessary.

During the year under review, the following people served on the CGDC:

Name	Region
Eric Nohamba	Eastern Cape Midlands
Lawrence Mgadle	Eastern Cape Midlands
Siseko Maqoma	Eastern Cape Midlands
Khaya Brian Katoo	Patensie
Simphiwe Yawa	Sundays River Valley
Wayne Mansfield	Boland
Ntamiseni Thompson Mankhili	Limpopo River
Bennet Sdumo Malungane	Letsitele
Octavias Masalesa	Letsitele
Pheladi Tlomatsane	Letsitele
Walter Tshianeo Mathidi	Letsitele
Olivia Dikeledi Selowe	Nelspruit
Petros Eric Shiba	Onderberg
Hlulekile Phonela Yoce	Nelspruit
Simon Tiisang Selowe	Nelspruit
Mziwoxolo Makhanya	KwaZulu-Natal
Louisa Maloka-Mogotsi	Senwes

The CGDC executive committee is elected by the CGDC members. During the year under review, the following CGDC members and company representatives served on the executive committee:

- Mziwoxolo Makhanya (chairperson)
- Ntamiseni Mankhili (vice-chairperson)
- Eric Nohamba
- Bennet Malungane
- Lawrence Mgadle
- Lukhanyo Nkombisa (general manager, CGA-GDC, *ex officio*)
- Justin Chadwick (CEO, CGA, *ex officio*)
- Jacomien de Klerk (general manager, Citrus Academy, *ex officio*)



The Citrus Academy is contracted by the CGA to coordinate the activities of the CGDC and act as a member liaison.

The following meetings were held during the year under review:

8 June 2022	CGDC executive committee	Virtual
21 August 2022	CGDC executive committee	In person
21 August 2022	CGDC	In person
9 November 2022	CGDC executive committee	Virtual
12 March 2023	CGDC executive committee	In person
12 March 2023	CGDC	In person



RBX GROUP

Rob Effick



After a number of years of sustained growth for River Bioscience (RB) and X Sterile Insect Technique (XSIT), wholly owned companies of the CGA, the 2022/23 season proved challenging, with forecasted targets not being achieved on any of our significant products.

Considering the turmoil the world is in, and in particular the significant challenges faced by the southern African citrus industry during the season under review, this is not unexpected.

The recent years of investment in human and operational resources proved critical. Not only did it allow us to manage through these difficult times, but without these investments, the numbers achieved could have been significantly lower. Our technical, marketing and sales team did a superb job of supporting growers through difficult and uncertain decisions, while our commitment to offering packaged solutions assisted growers to find the right sustainable programmes for their fruit. This remains a key focus area for us going forward.

Strategic development

The first steps of implementing our longer-term strategic mandate, approved by the CGA and our board in the previous year, were taken during this year. While some developments were delayed due to not achieving all targets for the past season, others progressed well.

In the past we had outgrown our office accommodation a number of times, often resulting in separate locations for operational and administrative staff. The end of our lease allowed us to move to a larger space, where our head office team is more conveniently situated in the same location with other staff. Our new offices feature an open area for presentations and events, with seating

for up to 60 people. Furthermore, we are able to accommodate desk space seating for training for up to 20 people at a time.

Our Product Development and Innovation Department was established under Dr Megan Mulcahy, a graduate of the Centre for Biocontrol at Rhodes University. Megan joined our team after returning from the USA where she completed her doctorate.

The floor below our head office is now host to our microbial and macrobial labs, with numerous rearing rooms to support the development of our pipeline of products for the future. Research that was being done at our Addo production site was moved over to this facility where focus is better and head office support is close at hand.



The other key position to be filled during this time was that of Technical Manager. Paul Biebuyck, who has many years of industry experience, joined us. Apart from technical support and training, he will also spearhead our business development in Africa and sales in the KwaZulu-Natal area.



FCM virus

Making a good thing better! River Bioscience was founded around the discovery of a baculovirus for FCM by Dr Sean Moore of the CRI. This product was ahead of its time and has been the cornerstone of everything else that has developed in our company. In recent years, record volumes of this 20-year-old product have been used by growers to fit into integrated pest management programmes that meet the many stringent export requirements in key markets overseas.

Our team have focused on making this product even better and our Cryptomax registration came through during this year, allowing for more ease of use for this great product.

Board evolution

The RBX board of directors also went through a few changes during the year with Juliette Du Preez and Dr Hoppie Nel stepping down from the board. Both have been long-standing board members and have served the companies, the group and the industry with distinction. We thank them for all their efforts and wish them well in the future.

Fanie Meyer has joined the board as the CRI representative in place of Dr Nel and CP Mouton has also joined as the grower representative for the Western Cape, replacing Piet Smit who left the board in the previous year. Fanie has a wealth of experience in the crop protection industry and has worked closely with the CRI over many years. CP, of the well-known Citrusdal Mouton family, is part of a group that has a significant stake in the citrus industry.

We look forward to benefitting from and working with both these industry stalwarts as RBX endeavours to deliver on its long-term industry sustainability mandate.

Walking the longer road

As with any implementation of a longer-term strategy, a significant amount of groundwork has been done during this time on initiatives that will only show results in years to come. Doing this in a world economy that is under significant pressure requires extra diligence and care to ensure that growth is properly resourced to prevent it from being potentially self-destructive. Exciting opportunities lie ahead for the group, but we need to make sure we have the correct product mix to support the sustainability of our industry into the future.



Executive committee

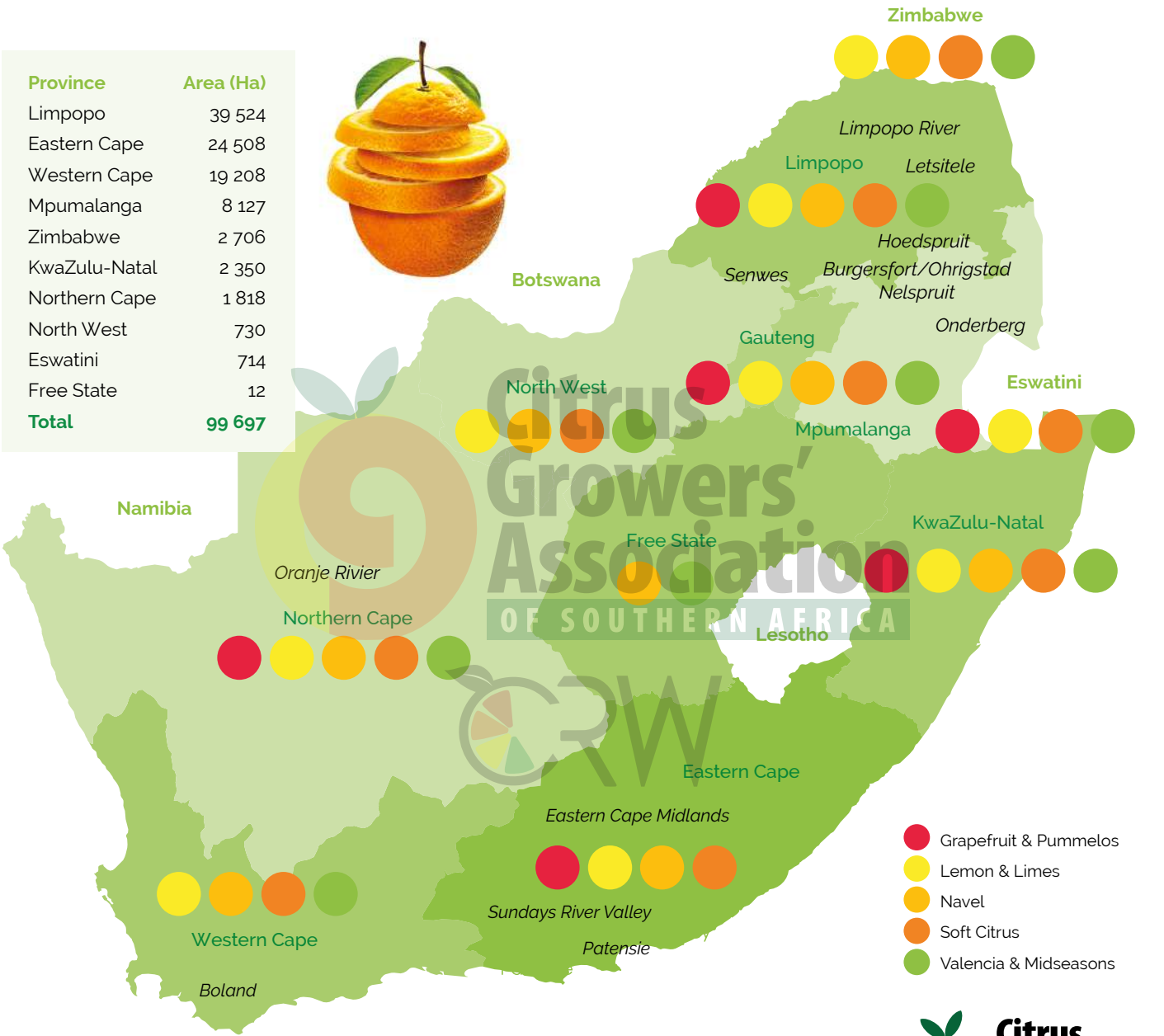
Keeping the structures in our group in line with the growth and complexity of our offerings and portfolio is critical to ensuring that high levels of customer satisfaction are maintained. With this in mind, the group was very pleased that Chesné Geldenhuys agreed to join the RBX executive committee. Chesné has been

the SIT facility manager for the last four years and was instrumental in turning this facility into a world-class operation. He has more recently taken on wider responsibilities for national operations and now as an executive committee member, he will have direct influence on strategy formulation and implementation going forward.



CITRUS PRODUCING REGIONS

Province	Area (Ha)
Limpopo	39 524
Eastern Cape	24 508
Western Cape	19 208
Mpumalanga	8 127
Zimbabwe	2 706
KwaZulu-Natal	2 350
Northern Cape	1 818
North West	730
Eswatini	714
Free State	12
Total	99 697



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ABRIDGED FINANCIAL STATEMENTS

	Actual 2021/22	Budget 2021/22	Actual 2022/23	Budget 2023/24
Income	261 077 076	256 528 000	273 471 736	270 209 000
RSA Levy	254 770 473	250 572 000	262 925 472	266 247 000
Eswatini / Zimbabwe Levy	4 345 242	5 016 000	4 136 029	2 622 000
Property Income	242 273		254 386	
Interest	1 202 436	600 000	2 424 871	1 000 000
Dividends Received - River Bioscience / XSIT	351 000	340 000	375 000	340 000
Citrus Summit Income			3 182 500	
Other Income	165 652		173 478	
Expenditure	225 422 750	279 505 158	252 326 119	262 083 921
Staff Costs	5 748 548	5 335 000	5 507 599	7 215 609
Travel & Accommodation	409 134	210 000	270 232	325 000
Office - Rent & Equipment	196 775	180 000	54 964	40 000
Office Expenses	612 522	560 000	748 749	559 000
Board Expenses	659 238	718 000	961 510	1 280 000
Services (Accounting, Legal & Insurance)	705 440	680 000	914 209	1 159 000
Subscriptions	777 259	740 750	934 170	930 000
Communication	818 048	1 050 000	928 466	1 140 000
Market Access	3 854 103	7 989 000	4 892 141	8 491 378
Market Access - CBS	3 405 540	7 780 000	6 991 343	8 260 000
Fruit South Africa	1 092 524	666 969	897 473	1 000 000
Research Programmes - Citrus Research International	150 120 083	152 748 689	152 748 689	164 994 934
Research: CRT Bond	3 400 000	3 400 000	3 400 000	3 200 000
Transformation - CGA incl. ETBCG Programme	2 542 956	2 725 000	7 097 051	3 554 000
Transformation - CGA Grower Development Company	33 500 000	43 000 000	39 000 000	44 000 000
Transformation - Citrus Academy	8 000 000	8 600 000	8 712 280	9 000 000
Depreciation	79 667	120 000	85 883	
Information	808 305	2 183 000	1 836 346	1 710 000
Provision for doubtful debts	5 026 296		8 172 111	
Leave Pay Provision	(16 044)		(250 043)	
Impairment of Loan - CGA Cultivar Company (Pty) Ltd	1 600 000		1 600 000	
Infrastructure & Logistics	2 038 298	40 450 000	3 390 491	3 700 000
Shipping				1 000 000
Market Development	44 058	318 750	249 955	475 000
Citrus Summit Expenses			3 182 500	
General		50 000		50 000
NET SURPLUS / (LOSS) FOR YEAR	35 654 326	(22 977 158)	21 145 617	8 125 079



Citrus Growers' Association OF SOUTHERN AFRICA



**Citrus
Growers'
Association**
OF SOUTHERN AFRICA

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