

The Citrus Value Chain

In "Orange" Currency

Dr. Hoppie Nel



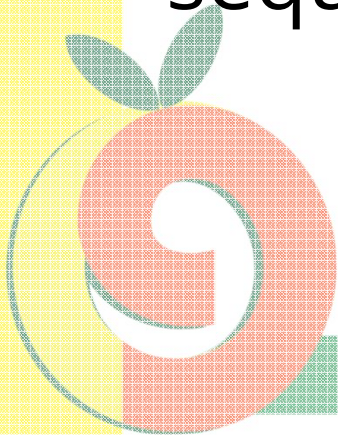
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Research

Value Chain vs Cost Chain

The citrus value chain will only yield **a positive outcome to all stakeholders** if all the stakeholders accept their interdependency and integrated responsibility.

The citrus cost chain represent a sequence of events where all stakeholders endeavours to extract maximum individual value



Research

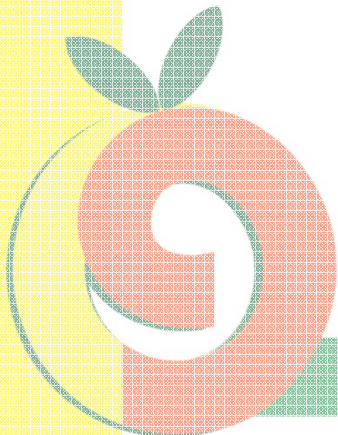
The End of the Chain



100 oranges



@R1.90 a piece



Research

Importer – Distribution and Margins

20 pieces

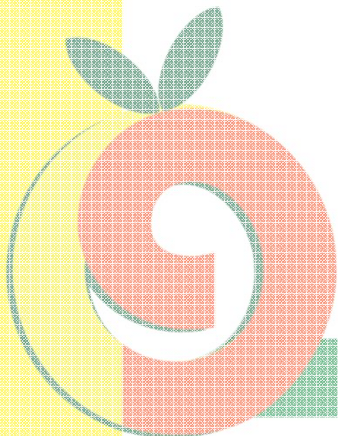


Research

FOT Value

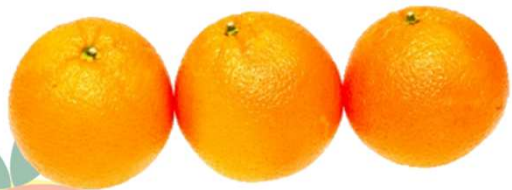


80 oranges



Research

Importing Port



19 pieces

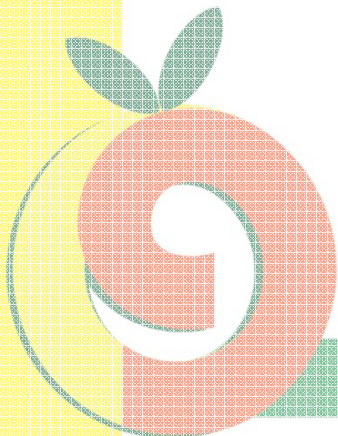


Research

CIF Value



61 oranges



Research

Shipping

21 pieces

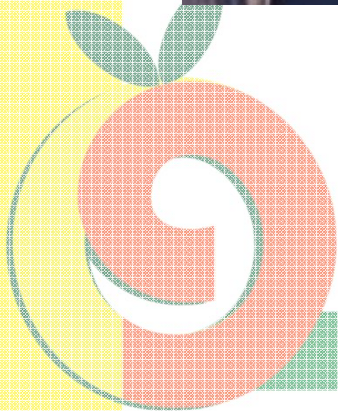


Research

FOB Value

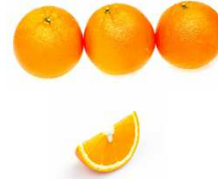


39,4 oranges



Research

RSA – Port Handling and Storage



-3,7

Inspections and Levies



-0,2

Export Documentation



-0,3

Exporters Commission

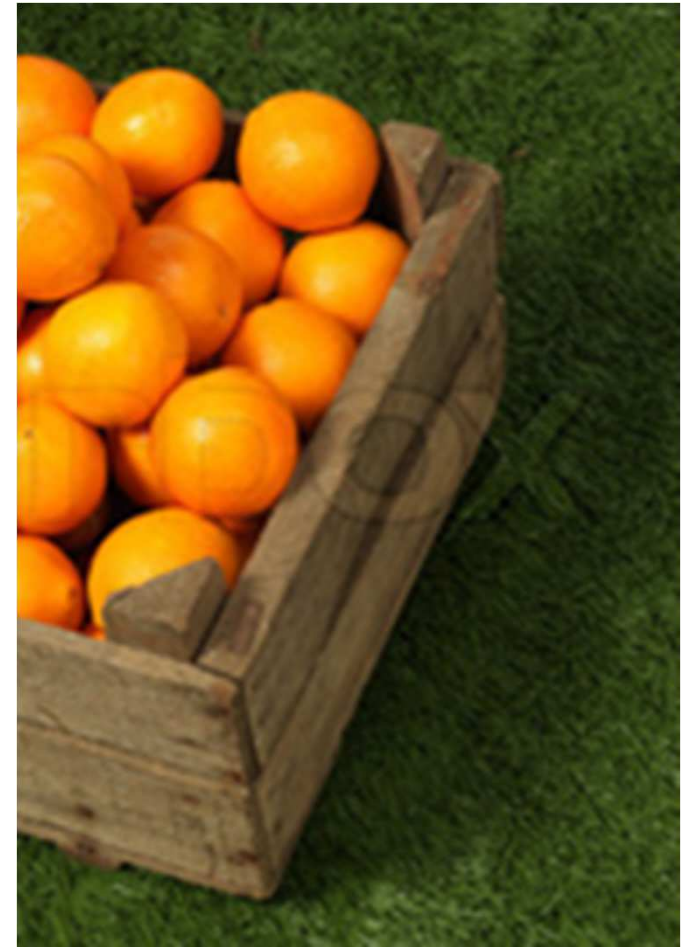


-2,4

-6,6 pieces

Research

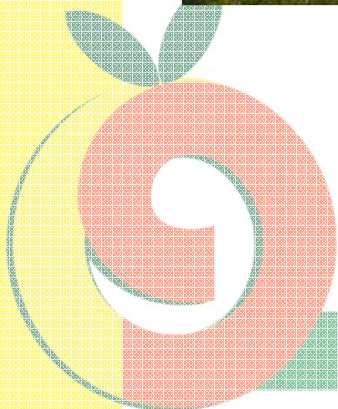
DIP Value



32,8 oranges



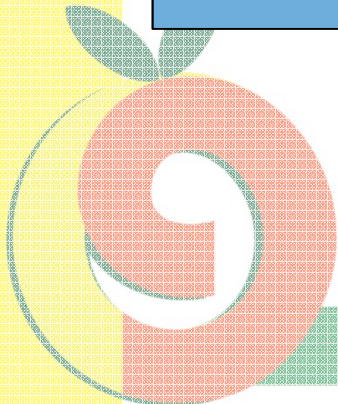
Research



Inland Transport



-3,2 pieces



Research

Degreening



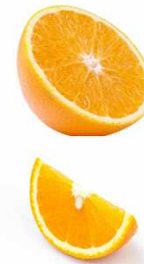
Packing



Cartons & Pallets



Inspections



-0,7



-3



-7,1



-0,2

-11 pieces

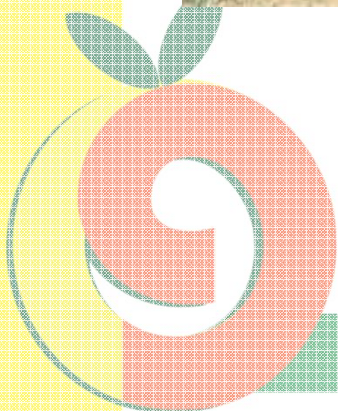
Research

Ex-Orchard Value



18,6 oranges

Research



Employment



-4,4

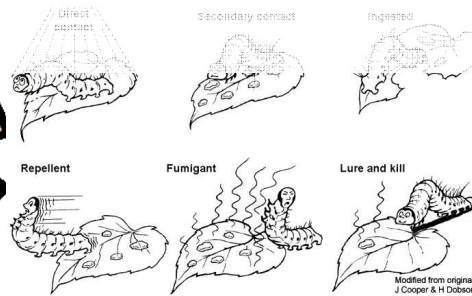
Mechanisation



-1,4

-8,2 pieces

Materials



-2,4

Research

Electricity



Maintenance



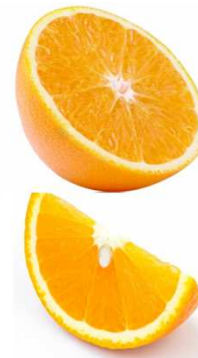
-0,8

Administration



-1,0

-2,5 pieces

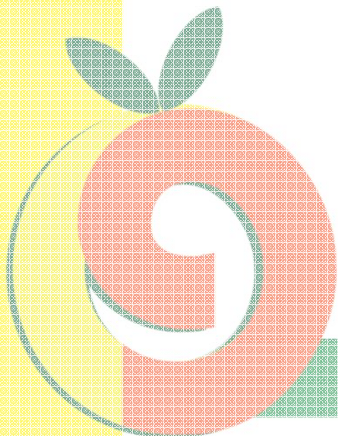


-0,7

Research

Financing of Investment and Operations

1,8 pieces



Research



**Citrus
Growers'
Association**
OF SOUTHERN AFRICA
Grower levies working for you!



0,3 pieces



0,1 pieces

Research

6 pieces



Research

Benchmark – Industry Activities

➤ South Africa

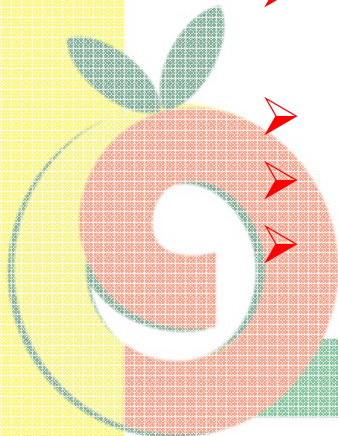
- Annual contribution to industry activities – R55m (grower funded @ 3,8c/kg exported)
- Apportionment to research – R34m

➤ USA

- Annual contribution to industry activities – R270m (state and grower funded)
- Additional R207m state aid applied for 2015

➤ Australia

- R&D levy R32 per ton harvested @ 600 000
= R19,2 m + Govt (1:1) = R38,4m
- Biosecurity levy R3,00 per ton harvested
= R1,8m + Govt (1:1) = R3,6m
- Orange marketing = R3m
- Citrus Australia @ R200/ha (14000ha) = R2,8m
- Apportionment to research – R40m



Research



Thank you

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