

GRAPEFRUIT FOCUS GROUP

DRAFT MINUTES OF TELECONFERENCE OF THE GRAPEFRUIT FOCUS GROUP HELD AT 12:00 ON WEDNESDAY 1 APRIL 2015

PRESENT: Piet Smit (Chairman – Letsitele)
Marinus Neethling (Onderberg)
Antoine Rouillard (Pongola)
Stuart Geldenhuys (Swaziland)
Michael Wafer (Nkwalini)
Paul Bristow (Zimbabwe)
Hoppie Nel (observer)
John Edmonds (CGA - secretariat)

APOLOGIES:

Kobus van Staden (Vice Chairman - Hoedspruit)
Danie Erasmus (Limpopo River)
Hannes de Waal (Sundays River)
Jannie Spangenberg (Oranje Rivier)

1. Welcome

Chairman, Piet Smit welcomed all to the meeting. He noted that the CMF meeting was not comfortable with the original estimate and the exporters strongly recommended that count 55's not be shipped under current international circumstances.

2. Apologies

See above.

3. Approval of Minutes of Meeting held on 16 July 2014.

The minutes were approved; proposed by Piet Smit, seconded by Stuart Geldenhuys.

4. Matters Arising from Minutes

There were no matters arising.

5. Estimate for 2015 (see annex A)

The latest projection was revised down from the CMF meeting and now stands at 12.2 million cartons of pigmented grapefruit and 1.3 million cartons of Marsh totalling 13.5 million actual cartons grapefruit for the Southern African region. This estimate includes the smaller counts. However due to the proportion of the smaller fruit on the trees, the actual shipped volume could well be in the order of 16 to 20 percent lower if the recommendations of the exporters at the CMF are heeded and the less favoured count 55's are not shipped. The Grapefruit Focus Group strongly recommended that growers only ship these smaller sizes against orders with prices that would yield a profit.

For **Letsitele**, the estimate for pigmented grapefruit and white grapefruit were set at 3.77 million cartons (up half a percent on last year) and 96 000 cartons (down eleven percent on last year) respectively leaving their overall volume almost the same as last year.

Onderberg are up two and down two percent on Star Ruby and Marsh respectively yielding a total of about 2.7 million cartons of which 2.1 are pigmented. They start packing after Easter.

Hoedspruit show continued growth up eleven percent overall with 3.2 million cartons pigmented fruit and 450 000 cartons of Marsh. Their sizing appears better than their counterparts further north as they had better rains.

The removal of orchards, drought stress and hail damage see **Limpopo** dropping twenty three percent to 840 000 cartons (830 000 pigmented). Most of the Marsh in this region is likely to find its way to the processing plants. Recent rains delayed their packing start about a week.

Nkwalini expected about 650 000 cartons of which half a million cartons are pigmented. As with last year, a high proportion of the Marsh is likely to be processed.

Oranje Rivier predict an export crop of about 533 000 cartons of Star Ruby with no Marsh.

For **Pongola**, export volumes are down about twenty percent (155 000 cartons of which 140 000 are pigmented) due to hail and small fruit. They will start packing in week 25.

The Eastern Cape can be expected to make up another half a million cartons and about 200 000 cartons may come from other regions.

Swaziland have removed grapefruit orchards reflecting in a fifty one percent decrease in exports (236 000 cartons Star Ruby). **Zimbabwe** expect to export 140 000 cartons and had just started packing on 1 April.

6. Markets

Hoppie Nel informed the meeting that a lower supply regime had seen prices in Europe for Floridian grapefruit up fifteen percent, Israel about ten percent and Turkey at similar levels compared to the same time last year. Thus there is potentially a reasonable market if not oversupplied and if the quality is good.

7. Japan Coordination:

Piet Smit said that there are discussions between the main players about a shipping interval of ten days for Japan. This may pose a challenge to some pack-houses; effectively only shipping every twenty days. If this is the case the Japanese receivers may give better guarantees and stock levels in Japan seven weeks into the season could then be calculated to be at a level of 800 000 cartons.

8. General

Antoine Rouillard inquired as to conditions for processing of Star Ruby grapefruit. Consensus was that factories had big stocks and conditions were not in growers' favour.

9. Meeting dates for 2015

The meeting agreed that another teleconference be held on 22 April and thereafter it should be the second Wednesday of the month at 12:00.

Annex 1. Grapefruit Estimate for 2015 (Actual Cartons)

TOTAL_GF	2013	2014	2015	% change
Onderberg	3 443 927	2 623 498	2 678 000	2%
Letsitele	4 141 797	3 857 572	3 866 000	0%
Hoedspruit	3 731 972	3 300 550	3 650 000	11%
Nkwalini	966 935	641 702	650 000	1%
Limpopo River	1 198 033	1 096 678	840 000	-23%
Oranje Rivier	572 725	603 790	533 000	-12%
S.R. Valley	361 155	369 926	350 000	-5%
Patensie	118 656	153 861	150 000	-3%
Pongola	268 871	191 654	155 000	-19%
Other	412 945	337 891	208 000	-38%
South Africa	15 217 016	13 177 122	13 080 000	-1%
Zimbabwe	156 000	141 000	140 000	-1%
Swaziland	715 000	480 000	236 000	-51%
Southern Africa	16 088 016	13 798 122	13 456 000	-2%

Red G.F	2013	2014	2015 est
Letsitele	4 055 935	3 749 602	3 770 000
Hoedspruit	3 443 562	2 890 780	3 200 000
Onderberg	2 756 652	2 034 438	2 100 000
Limpopo River	1 117 308	1 066 038	830 000
Oranje Rivier	572 725	603 790	533 000
Nkwalini	535 600	479 667	500 000
S.R. Valley	355 307	366 741	350 000
Patensie	118 656	153 861	150 000
Pongola	236 746	159 629	140 000
Other	293 379	175 730	200 000
South Africa	13 485 870	11 680 276	11 773 000
Zimbabwe	156 000	141 000	140 000
Swaziland	620 000	425 000	236 000
Total Actual	14 261 870	12 246 276	12 149 000

White G.F	2013	2014	2015 est
Onderberg	687 275	589 060	578 000
Nkwalini	431 335	162 035	150 000
Hoedspruit	288 410	409 770	450 000
Letsitele	85 862	107 970	96 000
Limpopo River	80 725	30 640	10 000
Pongola	32 125	32 025	15 000
S.R. Valley	5 848	3 185	3 000
Other	910	8 300	8 000
South Africa	1 612 490	1 342 985	1 310 000
Zimbabwe		-	
Swaziland	95 000	55 000	
Southern Africa	1 707 490	1 397 985	1 310 000

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