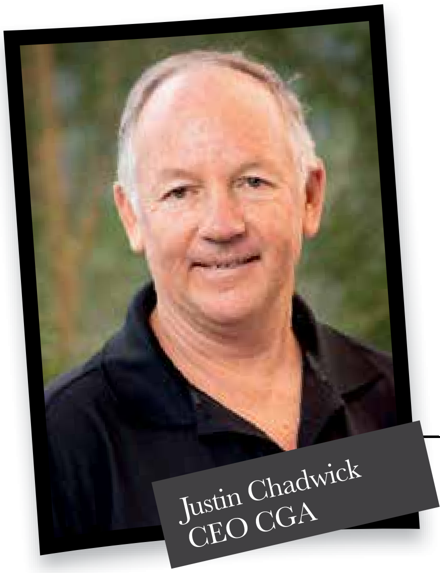
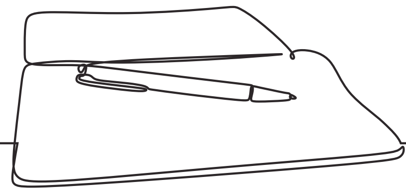


Justin Chadwick
CEO CGA

With great growth COMES GREAT RESPONSIBILITY

By **Justin Chadwick**, CEO: CGA



With increases in citrus, subtropical and deciduous fruit export volumes, SA is living up to its reputation of being a provider of a wide array of quality, safe, nutritious and timely fruit. The 2020/21 grape export volume was a record for the sector, and at the time of writing, the 2021 citrus export volumes were set to follow suit.

However, production is only one part of the complex supply chain and regulatory requirements needed for a successful export campaign. South Africa's current export market cannot continue to absorb SA's expanded export volume – there is a critical need for access to more consumers.

Fruit SA, in partnership with the Department of Land Reform and Rural Development (DALRRD), is hard at work on gaining new markets, optimising market access conditions and ensuring that we retain our existing markets.

Market access is a long-haul activity, from when an application is made until an agreement is signed can take 10 — 15 years (and even up to 30). Therefore, political will is so important, to speed up the process with consistent follow-up and communication. This ensures that market access applications are addressed timeously.

For South African fruit, there are many applications that are very close to being concluded, including pear access to China, avocado access to the US and Japan, wider access for citrus to the US, and table grape access to South Korea. They're at the point where relevant ministers and director-generals can finalise market access opportunities and bring trade agreements to conclusion, with minimal difficulty.

But Fruit SA members are frustrated by some of the current delays, amidst reneged promises and political issues that overshadow the importance of trade for an economy under pressure. The fruit industries have proven that they can provide significant employment opportunities and earn much-needed foreign exchange, yet many economic opportunities are simply not capitalised on. We need a strong public–private partnership to make this happen – an agile, equipped and enthusiastic plant health department at DALRRD, strong research support from public and private research institutions, and strong political will. This resolve should filter through from our president right down to every minister.

> One of the conditions for sustained growth is that government works together with the industry to secure and access new markets for SA's fruit.

Our competitors – Chile, Peru, Australia and Argentina – have their governments and industry working together on market access issues. The number of free trade agreements that they sign with (mostly) Asian countries puts South African fruit exporters at a considerable disadvantage. And as for SA's membership of BRICS, it has meant nothing to South African fruit exporters – even our competitors are negotiating better conditions of entry and lower tariffs with China. Our government can and should start leveraging SA's membership of BRICS to improve fruit access conditions into Russia, India and China, before we are left behind in the wake of our competitors.

The finance minister has called on agriculture to add R6 billion in terms of additional fiscal earnings. Calculations by the Citrus Growers Association (CGA) indicate that citrus export earnings alone increased by R5 billion between 2019 and 2020; and other fruit sectors have shown similar growth. This can only be sustained if our government works together with the industry to secure and access new markets for SA's fruit.

The other critical element is logistics – the increased volumes of fruit will require a step change in terms of the ability to move fruit from production regions to and through the port, and onto (sufficient) vessels.

It is clear that plans and investment within the agricultural sector will need to be made now, along with gains in efficiency, if we want to see South African fruit reach its full potential in the years to come.