FROM THE DESK OF THE CEO (20/09)

Justin Chadwick (22 May 2009) Citrus Growers Association (CGA)

CELEBRATE SUCCESS: WE ALL STAND BEHIND THE BULLS AS THEY PLAY THEIR SUPER 14 SEMI FINAL

QUOTE OF THE DAY: *"Our task as we grow older in a rapidly advancing world, is to correct older ideas, and to learn from our pupils as we teach them "* ***Hans Zinsser***

AGRI TV

Just a reminder that citrus will be featured on Monday and Tuesday next week on Agriculture Today, SABC 2 @05h20.

JUNE AND JULY – RSA HOSTS INTERNATIONAL DELEGATIONS

June and July are going to be fairly hectic with three overseas delegations paying visits to South Africa. In June the Food and Veterinary Office (FVO) of the EU will be visiting to investigate our phytosanitary systems following concerns about interceptions in 2008. The trip is starting to take shape – the delegation arrives on 15 June, and after meeting with Department of Agriculture (DoA) they will tour the country; visiting production areas in Limpopo, Mpumalanga, Eastern and Western Cape. In addition they will visit CRI facilities in Nelspruit, the port of Durban, PPECB and DoA regional offices. All citrus industry role-players need to refresh their memories in terms of phytosanitary procedures, as anybody could be asked to explain how things are done.

In early July a delegation from USDA APHIS will visit growing areas in the Limpopo River region (Weipe and Tshipise) to discuss the application for CBS free places of production within areas of low prevalence for CBS. Later in the month a second USDA delegation will visit the Western Cape to discuss the packhouse procedures with a view to reviewing the treatment period.

The citrus industry is well served by personnel at DoA (Alice, Marianna, Mike and Mashudu) who have put a lot of work and effort into planning for these trips. Good planning will lead to favorable outcomes.

LIST OF PRODUCTION UNITS PROHIBITED FROM EXPORTING TO CBS SENSITIVE MARKETS

Since 2001 high risk production units for CBS have been identified and excluded from exporting to CBS sensitive markets. Affected PUC's have been notified at the time of exclusion, and the list has been provided to CGA and FPEF. CGA has strongly advised that the distribution of this list be limited to FPEF and CGA. Export agents have long argued that they need the information in making procurement decisions. The DoA has decided that risk management would be better served if the list was made available to other role-players in the industry. CGA has asked that the wider distribution be delayed for two months so as to give CGA an opportunity to advise growers of this change, and to give the affected PUC's an opportunity to be reevaluated and perhaps taken off the list. This request was accepted, and CGA is in the process of informing the twenty three PUC owners.

PACE YOURSELF

Good luck to all those in the citrus family doing the inter city fun run this weekend (Comrades Marathon). Please let me know how you did so that we can acknowledge you in next week's newsletter – 90 km on the road definitely needs to be recognized!! Have you noticed the bunch that goes leaping off at the start, lead after 15 km and drop out after 30 km? To a certain extent our exports sometimes follow the same pattern. In an effort to establish our presence in the market we try and get fruit into the market as soon as possible. This is definitely a good strategy PROVIDED that it does not impact on quality or result in oversupply. The CGA is involved in assisting Japanese exporters in optimizing exports to this market. With lower stock levels than normal in 2009 – the first vessels will replenish stocks. There is concern that vessels thereafter, planned for departure week 22 to 24 are "bunched" and could mean excessive arrivals in a short period. A compelling reason to review this shipping schedule is that discharge facilities in Japan have less space for citrus compared to earlier years. If there is no space to discharge cargo – the ship is delayed resulting in demurrage costs (probably to be born by the grower). So growers are encouraged to discuss packing rates with their export agents with a view to slowing down grapefruit packing for Japan – this is better than having higher storage costs in Durban and/or facing demurrage costs. Its not that Japan does not want the fruit – it's just that they want it delivered ratably through the season – PACE YOURSELF.

PACKED AND SHIPPED 2009

CAUTION – PPECB is experiencing capturing problems which will affect the accuracy of this week's figures. The problem is being addressed.

The first three ships have departed to Japan which means that we now have 20% of shipped volumes sent to that market; Northern Europe still dominates with 47% of volumes. Star Ruby accounts for 74% of grapefruit packed to date. Small amounts of Satsuma were packed last week – 1.712 m cartons have been packed against a revised prediction of 1.8 m (original estimate 2.1 m). Clementines have begun with about 0.6 m cartons packed to date. UK (64%) and northern Europe (19%) remain the dominant markets for soft citrus. Lemons packed and shipped are still 2/3 of the levels at the same time in 2008. Main export markets have been Middle East (48%), Far East (19%) and Russia (12%). The Lemon Focus Group will meet later this month and will surely relook at their estimate. Navels packed now stands at 1.6 m cartons, with less than ½ m shipped. The Navel Focus Group has revised their prediction downwards due to hail events in some regions.

To Week 20 – Million 15Kg cartons	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Shipped
Source : PPECB	2008	2009	2008	2009	2009	2009	2008
Grapefruit	4.9 m	4.6 m	2.3 m	2.4 m	15.1 m	14.8 m	12.4 m
Soft Citrus	2.8 m	2.5 m	1.9 m	1.7 m	7.4 m	7.1 m	6.5 m
Lemons	3.8 m	2.4 m	2.4 m	1.5 m	9.4 m	9.2 m	8.8 m
Navels	2.5 m	1.6 m	0.5 m	0.4 m	21.6 m	21.3 m	21.2 m
Valencia	-	-	-	-	43 m	43 m	40.4 m
	14 m	11.1 m	7.1 m	6 m	96.5 m	95.4 m	89.3 m

YOUR LEVY WORKING FOR YOU – GROWER LEVIES ARE USED TO FUND THE ACTIVITIES OF CGA, CRI AND THE CITRUS ACADEMY