



FROM THE DESK OF THE CEO (23/09)

Justin Chadwick (12 June 2009)

Citrus Growers Association (CGA)

QUOTE OF THE DAY: "Winners compare their achievements with their goals, while losers compare their achievements against those of other people" Nido Qubein

AGRI TV: A reminder that citrus will be featured again on Monday and Tuesday next week on Agriculture Today, SABC 2 @05h20.

2009 TOYOTA NEW HARVEST OF THE YEAR COMPETITION

Congratulations to Israel Nemaorani who has been chosen as one of the ten finalists in this competition. The objectives of the competition are to identify and reward the most successful previously disadvantaged (Black) farmer in South Africa, and to provide credit/recognition to those people/institutions/organizations/agencies that are involved in the development of new farmers. The judges will be visiting Israel's farm later this month and we wish him well.

DOMESTIC MARKET

Whenever I am in a shopping centre, I always have a look at the produce section and at citrus in particular – and to be honest the quality often leaves much to be desired. As CGA we have a focus on the export markets – and our mandate does not extend to domestic market issues. This is understandable given that the bulk of citrus (65%+) is exported, and earnings from the export market represent 85%+ of total citrus industry returns. The problem is that margins are so small on the domestic market, that to employ resources to address those issues that do arise would result in negative returns to the farmer. These are the reasons CGA has not been involved in the domestic market. Having said that, there are many activities that CGA is involved in that benefit all – both domestic and export citrus growers. Very few growers produce only for the domestic market, and most research is applied whether producing for local or export markets. Next Friday the produce industries (fruit and veg) are to meet with Department of Agriculture to discuss inspections on the local market. Although we are not mandated to represent growers in terms of the local market, we will attend to get some perspective on what is being discussed, and to ensure that the citrus industry is there. I would be interested in getting growers' views on the issue of involvement in the local market – please send me inputs at justchad@iafrica.com

CITRUS MARKETING FORUM (CMF)

A reminder that the next CMF meeting is scheduled for next Thursday 18 June 2009 at Willow Park Conference Centre at 10h00. Willow Park is close to ORT airport, and by pre arrangement a shuttle is available. **Much has happened since the last CMF in February; we will get an update on predicted volumes for 2009, and feedback on what is going on in the market. This is a critical time for oranges – representing 2/3 of RSA citrus. It is also important for lemons, grapefruit and soft citrus; although the greater part of the crop has been packed, there is still lots to be shipped- and the bulk still needs to be sold.**

MENTORSHIP

For three years the CGA has been running a mentorship programme, funded by Department of Agriculture. The DoA has renewed the agreement for 2009, and so the programme will be continuing. This programme is open to all new growers in the citrus industry. Growers are welcome to contact the CGA if they have prospective growers who would benefit from being mentored, or alternatively, if they would like to be considered as mentee's. The programme has been administered by Dr Richard Bates on a contract basis. Richard has done a fantastic job in molding a framework and set of procedures and principles for the CGA mentorship programme.

PACKED AND SHIPPED 2009

This week it was the turn of the Navel Focus Group to meet, and once again the prediction is that the original estimate needs to be reduced, the estimate was reduced by 1.2 m cartons. The other focus groups have not met since last week. During this week there has been some unseasonal rain in the northern areas which will affect the packing tempo – there has also been rain in the south – but they should be used to that; they are in a winter rainfall area after all!!! The reduced packing tempo may be a blessing as it will clear out some space in Durban, which has been full of grapefruit of late. The Valencias are starting, with almost a million cartons packed – once the Valencia season gets into full stride we will need to monitor port stocks closely. Northern Europe continues to receive the bulk of citrus shipments (grapefruit 46%, navels 26%, soft citrus 19% and lemons 9%); Japan remains an important grapefruit destination (20%) – where this years 1.2 m cartons to date is slightly below 2008's 1.4 m (there was a concern that more had been shipped this year than before which seems to be unfounded). UK continues to be the leading destination for soft citrus – 55% of volume shipped (UK also received 6% of grapefruit, 9% of lemons and 9% of navels shipped to date); while Middle East has taken most of South Africa's lemons (48%) and navels (32%) shipped to date. It is pleasing to note that Russia remains an important market for citrus shipped to date (grapefruit 6%, soft citrus 9%, lemons 11% and navels 10%).

To Week 23 – Million 15Kg cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
Source : PPECB	2007	2008	2009	2008	2009	2009	2009	2008	2008
Grapefruit	8.1 m	8.4 m	8.8 m	5.5 m	5.8 m	15.1 m	14 m	12.8 m	12.4 m
Soft Citrus	4.5 m	4.5 m	4.1 m	3.1 m	3.1 m	7.4 m	7.1 m	7.3 m	6.5 m
Lemons	3.2 m	5.3 m	3.8 m	4 m	2.6 m	9.4 m	8.6 m	9.6 m	8.8 m
Navels	6.5 m	7.5 m	7.2 m	3.6 m	3.9 m	21.6 m	20.4 m	21.5 m	21.2 m
Valencia	1.1 m	1.3 m	0.8 m	0.2 m	0.2 m	43 m	42.1 m	42.8 m	40.4 m
	23.4 m	27 m	24.7 m	16.4 m	15.6 m	96.5 m	92.2 m	94 m	89.3 m

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