FROM THE DESK OF THE CEO (30/09)

Justin Chadwick (31 July 2009) Citrus Growers Association (CGA)

QUOTE OF THE DAY:" "It is not necessary to change. Survival is not mandatory." ~W. Edwards Deming

CITRUS GROWERS ANNUAL GENERAL MEETING AND BOARD MEETING

A reminder that the **CGA AGM will be held at Willow Park Conference Centre (15 minutes from OR Tambo International Airport) at 17h00 on 18 August 2009** **(notice of AGM included in the Annual Report package).** If any member has any issues that they would like raised at either the CGA Board meeting (on the same day), or at the AGM please do not hesitate to call me or your CGA Board representative.

CITRUS COORDINATING MEETING

It's already that time of year where we advise of the Department Agriculture, Forestry and Fisheries (new name DAFF) coordinating meeting; and opportunity for the industry to meet with DAFF officials and look back at what went right and what went wrong in 2009; and to plan for 2010. The meeting will be held **in Stellenbosch at ARC Infruitec, Olive Grove on 16 September 2009 at 09h00** **(good early notice so put it in your diary – notice on website www.cga.co.za).**

EU REQUIREMENTS

In response to certain concerns raised following the FVO visit, DAFF have revised inspection protocols for fruit destined for CBS sensitive markets. **Since these revised protocols could have a big impact on fruit offered for inspection, all growers, packhouses, exporters and export agents are urged to take notice thereof. These protocols will be circulated by CGA today, and will be available on the members section of the CGA website.**

US VISITS

Over the past month South Africa hosted two delegations from the US. The first delegation visited the northern Limpopo region to look at farms wanting access on the basis of pest free places of production. In his report Ron Campbell (CGA representative in the US) reported as follows: "the APHIS plant pathologist was pleased with the data provided as well as the capabilities of the growers and the expanse between production areas; which is the underlying reason for the pest free production site request."
The second delegation visited the Western Cape to investigate implementation of the Standard Operating Procedure in packhouses with the goal of reverting back to the technically justified treatment period for shipments to the US. Initial reports are that this delegation was also satisfied with what they witnessed.

PACKED AND SHIPPED 2009

In the weekly pack of information supplied by PPECB are graphs that show this years shipped figures against the 5 year average to that market, and then the highest and lowest year's figures for that market in the pact 5 years. The purpose of these graphs is that exporters to these markets can see when total volumes into a market are reaching high levels. This is important given that there are many exporters operating in any one market – by looking at these graphs these exporters get a perspective of what the other exporters are doing. The idea being that if current year volumes are nearing (or above) the highest level in the last 5 years then warning lights should be flashing. Exporters then need to look at how price levels are performing to make a decision as to whether that market is oversupplied or not. The following markets are displaying **warning lights (i.e. volumes are near or above the highest levels of the past 5 years).** For grapefruit – northern Europe, Middle East and Russia; for soft citrus the Far East; for lemons Middle East, Hong Kong and Japan; and for oranges (unfortunately we cannot split between navels and valencia) Russia and Hong Kong. Exporters are urged to look at these markets and monitor price levels.
With 13 m of 13.5 m **grapefruit** packed to date we are nearing the end of the grapefruit season. Exporters need to consider their container program into Japan (now that the last conventional ship is being loaded), the market is delicately poised and large volumes late in the season could be disruptive. Northern Europe (35%) and Japan (34%) have received similar volumes. Unfortunately last weeks improvement in sales rates in Japan was short-lived and last weeks sales lagged the 5 year average by 20% again. For **soft citrus** the packed Clementine figure stays at 2.5 m – looking like they will not reach the original 2.9 m estimate. For mandarins 1.5 m of the 2.5 m estimate has been packed. The market split remains the same as last week. The **Lemon** focus group will meet next week – early indications are that the second pick, although higher than 2008, was not as high as anticipated, and the third pick is lower, so expect a reduction in the predicted volume. The market split remains roughly the same as last week. 93% of the **navels** 19m predicted volume is now packed – so the season is coming to a close. Market split is roughly the same as last week. With **valencia's** in full swing the Valencia Focus Group has a better idea of crop predictions; the VFG met this week and further reduced the prediction to 39.5 m cartons (another 1 m reduction and 3.5 m below the original estimate). With 16% of volumes shipped to date the bulk has been exported to northern Europe (33%), Middle East (21%), Russia (12%), Southern Europe and Asia (both 10%).

To Week 30 – 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	13.1 m	12.1 m	13 m	10.7 m	11.8 m	15.1 m	13.5 m	12.8 m	12.4 m
Soft Citrus	6.1 m	6.5 m	6 m	5.4 m	4.9 m	7.4 m	7.1 m	7.3 m	6.5 m
Lemons	5.6 m	8.3 m	7 m	6.6 m	5.4 m	9.4 m	8.6 m	9.6 m	8.8 m
Navels	16.7 m	18.8 m	17.6 m	16 m	14.9 m	21.6 m	19 m	21.5 m	21.2 m
Valencia	12.7 m	14.5 m	12.3 m	8 m	6.3 m	43 m	39.5 m	42.8 m	40.4 m
	54.2 m	60.2 m	55.9 m	46.7 m	43.3 m	96.5 m	87.2 m	94 m	89.3 m

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