FROM THE DESK OF THE CEO (49/10)

Justin Chadwick (17 December 2010)

QUOTE OF THE WEEK *"It's not that I'm so smart, it's just that I stay with problems longer" Albert Einstein*

WISE WORDS

Mohammed Karaan is a Commissioner of the National Planning Commission, and he is no stranger to the citrus industry, having facilitated CGA workshops and provided advice in the past. In a recent Farmers Weekly article (26 November 2010) he listed what he believes are the ten biggest challenges facing South African Agriculture today. It is interesting to note that many of these have also been identified by CGA in our strategic plan, while others deal with the regulatory environment we find ourselves in:

- **The need for new technology to drive expansion:** Two thirds of growers levies are spent on research and technical market access activities. For fresh produce staying on top of the game in terms of pest management, disease management and fruit quality management is imperative. It's non-negotiable.
- **Changing the composition and direction of trade:** The citrus industry in southern Africa has diversified to a point where less than 50% of produce is now sent to continental Europe and the UK. The Middle East is taking close to 20%, Far East and Asia 13% and Russia 12%. We have not penetrated China to its full potential, while India could take a lot more product.
- **Helping black farmers:** With the formation of the Citrus Growers' Development Chamber within CGA the focus is on the growers. With representatives from all emerging grower regions CGA is now in a position to assist these growers in the needs that they have identified – putting the grower first.
- **Fixing Land Reform:** There seems to be recognition from government that grower Associations have an important role to play in the land reform arena. Recently CGA has finalized agreements with provincial governments in KZN and Limpopo, while the Eastern Cape is finalizing their document. Talks are also ongoing with Mpumalanga.
- **Generating sufficient human capital to take agriculture forward:** The Citrus Academy was started by CGA in 2005 to provide the citrus industry with human capital. With a R1 million bursary fund, citrus specific training material and experiential learning focus the Academy has come a long way in a short time. Joining hands with AgriSETA and funding institutions means that more can be done.
- **Knowing where the next big push in agriculture is going to come from:** It took the citrus industry about 100 years to increase from the first citrus carton exported (in 1906) to 1 million tons exported (in 2000). It has taken 10 years to increase by another 50% (from 1 million to just shy of 1.5 million tons in 2010). I believe that there is even more growth potential – southern Africa has a dominant position in both oranges and grapefruit during the southern hemisphere season; is competitive in soft citrus and second only to Argentina for lemons. Growth is still on the cards.
- **Creating more jobs:** The vicious cycle of unemployment, poverty and crime must be broken. Citrus is a labor intensive crop – indeed the fruit industries employ about 25% of agricultural labor. Every 1 hectare of citrus is 1 permanent, full time job. Expansion of the citrus industry WILL mean more jobs, and these would be in the poorer, rural areas of South Africa.
- **Making our agricultural institutions work:** South African citrus growers pay 100% of the citrus research bill – for many years now no citrus industry research has been done at ARC. More recently CGA and CRI have entered into talks with ARC to explore a possible partnership. CGA works closely with the NAMC and PPECB; they are both important institutions and their effective functioning is vital for a vibrant citrus industry. Strong leadership is essential for them to play their true role.

The other two points are **understanding agriculture's true role** and **the need to put South Africa's interests first in Africa.**

GROWERS' FUND THEIR FUTURE THROUGH THE ACTIVITIES OF THE CITRUS GROWERS'ASSOCIATION, CITRUS ACADEMY AND CITRUS RESEARCH INTERNATIONAL