

FROM THE DESK OF THE CEO (21/12)

Justin Chadwick (1 June 2012)

QUOTE OF THE WEEK "When I read about the evils of drinking, I give up reading" Henny Youngman

ACCESS TO THAILAND

Twice in the last ten years South Africa has had a draft protocol for citrus access to Thailand on the table – only to have regime change in Thailand result in the process being derailed. Now (finally!!) after ten years a Protocol has been signed and gazetted that confirms the procedures for exports to Thailand to commence. Thai officials visited South Africa in March this year – it needs to be confirmed that this visit "audited the export certification procedure" as required in the protocol; once this is confirmed export activity can begin.

The CGA would like to thank DAFF (in particular Alice Baxter), CRI (in particular Vaughan Hattingh), DIRCO (in particular Ambassador Franki Verwey) and Embassy staff in Thailand (in particular the past Ambassador Douglas Gibson) for not giving up and eventually gaining access to this market for citrus.

Exporters planning to send citrus to Thailand in 2012 are asked to contact me (justchad@iafrica.com) so that additional information can be supplied and shipments can be monitored.

AND FURTHER GOOD NEWS AS GRAPEFRUIT AND LEMONS GAIN ACCESS TO SOUTH KOREA

Just today we received the following from the republic of Korea "I am pleased to inform you that Animal, Plant and Fisheries Quarantine and Inspection Agency (QIA) has made a determination to allow the entry of the fresh citrus fruits (Lemon and Grapefruit) from South Africa. The import requirements for fresh citrus have been posted on the QIA's website dated 1 June 2012 and effected from the same day. Please note that the final agreement between the two countries have been reflected in the final import requirements. I would like to ask you to make sure that the import requirements will be well implemented and cooperated by the National Plant Protection Organization of South Africa.

I hope that the two countries maintain a friendly relationship with plant quarantine issues in the future".

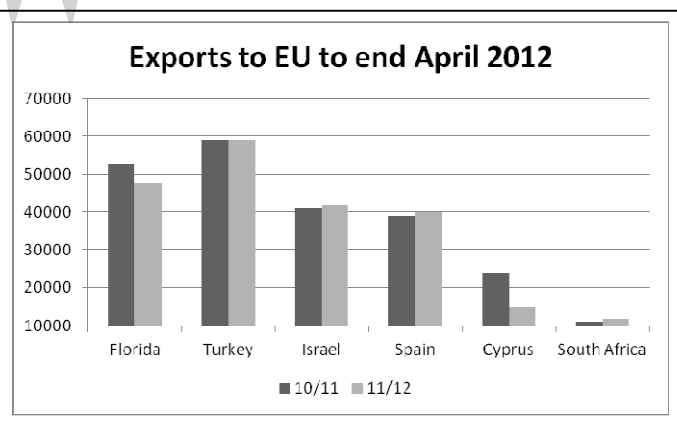
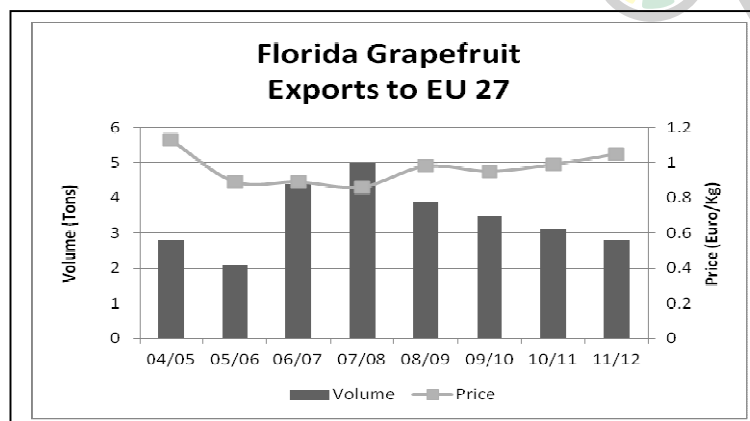
GRAPEFRUIT FOCUS

Larger sized grapefruit are receiving a premium as smaller sizes seems to be the norm. Most grapefruit packhouses have been packing at speed to get through the grapefruit so that they can start on the mid season and Valencia crop. As a result packed figures to date are level pegging with 2011 packed figures. But industry experts expect that the crop will end early, and buyers are advised to stock up now rather than run the risk of running short on stock later in the season.

The grapefruit focus group has again reduced the predicted 2012 volumes – now down to 11.8 million 15 Kg cartons (10.5 m 17 Kg cartons) – a 22% decrease from original estimates !!

With stocks of grapefruit in Japan in week 20 being at an all time low of only 349 000 cartons (about 1 ½ weeks supply) – the previous lowest since 1995 was 817 000 in 2005 – there is considerable interest in the first four ships that have now been dispatched to Japan.

Florida grapefruit supplies to the EU have reduced to levels last seen in 2004/5 (Source Fruitrop), this coupled with reduced shipments from Cyprus, static Turkish supply and modest increases from Spain and Israel (Source CLAM), means that South Africa entered an undersupplied market with fair returns to the supplier.



PACKED AND SHIPPED

To Week 22 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2010	2011	2012	2011	2012	2012	2012	2011	2011
Grapefruit	6.1 m	7.1 m	7.2 m	5.8 m	5.6 m	15.2 m	11.8 m	16.2 m	15.3 m
Soft Citrus	4.2 m	3.6 m	3.3 m	3.1 m	2.5 m	7.6 m	7.1 m	6.9 m	6.7 m
Lemons	4.7 m	3.6 m	3.3 m	3.1 m	2.6 m	11.1 m	10.6 m	10.8 m	10.2 m
Navels	5.6 m	4.3 m	3.8 m	1.7 m	1.7 m	22.9 m	21.9 m	21.2 m	
Valencia	-	-	0.1 m	-	-	46.1 m	46.1 m	44.2 m	61.7 m*
	20.6 m	18.6 m	17.7 m	13.7 m	12.4 m	102.9 m	97.5 m	99.3 m	93.9 m

* All oranges