

FROM THE DESK OF THE CEO (42/12)

Justin Chadwick (26 October 2012)

QUOTE OF THE WEEK “More people vote in American Idol than in any US election” Anon

AMERICAN ELECTIONS

On Monday evening President Obama and Governor Romney held their third and final public debate. The final debate was on foreign policy. In the one and a half hour debate Africa was mentioned once and South Africa once (by Romney who reminded everybody that USA used to have international clout using US pressure to end apartheid in South Africa as an example). Otherwise Africa and South Africa did not exist – they both spoke in a very protective manner about Israel (an attack on Israel would be viewed as an attack on the US), at length about Syria, Iran, Pakistan, Iraq and Afghanistan; but not about Africa. Many call Africa the forgotten continent – and on Monday night it was forgotten again. Those in the citrus industry in South Africa have reason to be peeved about this – at the request of the US, South Africa joined in applying sanctions against Iran. As a result South Africa gave up a market that at its peak imported 3 million cartons of South African citrus; but not a word about South Africa's support was uttered by the next president of the USA. Instead they both spent time explaining how they planned to spend US\$'s on bringing peace to the Middle East, encouraging free market principles to the countries, ensuring education and upliftment of women and promoting free and fair democratic elections. Most of these objectives have already been realized in southern Africa, with no big expenditure from the US.

At a meeting with Ambassador Rasool he spoke about the importance of raising the profile of South Africa. A statue of Nelson Mandela is to be placed on Massachusetts Avenue (just outside the Embassy) which will be a constant reminder to those who pass that we have a presence in America. But we need to do more than that – the Western Cape Citrus Producers Forum (WCCPF) has started the process with various initiatives, more needs to follow. We need to be “flavour of the month” – it will take some funding and some passionate leadership. The profile of South Africa needs to be raised in the eyes of the American consumer.

We need the US government to recognize the role South Africa plays in the general stability of the southern African region. The deadline for AGOA of 2015 should not pose an issue, the US government should be assuring South Africa and other beneficiaries of AGOA that the Act will be extended for another 10 years. And USDA should be doing all it can to facilitate unencumbered trade with South Africa by processing the different requests and applications as a matter of priority – trade is a much cheaper alternative than aid. We would like some recognition from the US of the sacrifices we have endured in solidarity with their foreign policy objectives. The three million cartons of citrus that used to go to Iran are now being diverted to already saturated markets.

GLOBAL CITRUS TELECONFERENCE – ADDITIONAL COMMENTS

At the recent global citrus conference call, delegates were asked to rank “points of concern”, there was a great deal of agreement between northern and southern hemisphere in this ranking – this is the ranking from the northern hemisphere, while the southern hemisphere suppliers ranks are shown in brackets; 1. Financial/ Economic crisis (2); 2. Price Return (4); 3. Competition from other food products (9); 4. Competition from other fruit (4); 5. Declining consumption (5); 6. Food Safety (7); 7. Quality (6); 8. Market access barriers (3); 9. Plant health (8); 10. Access to plant protection products (10). The biggest difference is that whereas northern hemisphere suppliers see competition from other food products as a big concern (ranked 3), southern hemisphere only ranked it 9; whereas southern hemisphere suppliers saw market access barriers as a serious concern (ranked 3), northern hemisphere ranked it 8.

REMINDER - MARKET ACCESS WORKSHOP AND CITRUS MARKETING FORUM CMF

All growers, exporters and other stakeholders are invited to attend a Market Access Workshop on 31 October from 08h30 to 13h00. This will be followed by the CMF from 14h00 to 17h00. Both meetings will be held at Olive Grove, Infruitec, Stellenbosch. Please RSVP to gloria@cga.co.za or 0317652514 if you wish to attend these meetings.

PACKED AND SHIPPED

There are concerns regarding the reliability of shipped data which therefore have been excluded.

To Week 43 Million 15 Kg Cartons	Packed	Packed	Packed	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2010	2011	2012	2012	2012	2011	2011
Grapefruit	12.5 m	14.5 m	12.8 m*	15.2 m	12.8 m	16.2 m	15.3 m
Soft Citrus	7.5 m	6.9 m	7.6 m	7.6 m	7.6 m	6.9 m	6.7 m
Lemons	9.6 m	10.7 m	10.6 m**	11.1 m	10.6 m	10.8 m	10.2 m
Navels	22.9 m	20.7 m	23.6 m	22.9 m	23.6 m	21.2 m	61.7 m****
Valencia	46.5 m	41.2 m	46.8 m***	46.1 m	46.8 m	44.2 m	
	99 m	93.9 m	101.4 m	102.9 m	101.4 m	99.3 m	94.9 m

* RSA 12.1 m; Swazi 0.6 m; Zim/Moz 0.1 m ** RSA 10.5 m; Swazi 0.1 m; *** RSA 43.9 m; Swazi 0.9 m; Zim/Moz 2 m; ****All Oranges

**GROWER FUNDED ACTIVITIES OF THE CGA, CRI AND CITRUS ACADEMY
ENSURE A GLOBALLY COMPETITIVE SOUTHERN AFRICAN CITRUS INDUSTRY**