FROM THE DESK OF THE CEO (20/14)

Justin Chadwick (30 May 2014)

QUOTE OF THE WEEK "As I grow older, I pay less attention to what people say. I just watch what they do" Andrew Carnegie

NEW MINISTER AND DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES (DAFF)

South Africa welcomed a new Minister to head up Agriculture with the appointment of Minister Senzeni Zokwana. Minister Zokwana is Chairperson of the South African Communist Party, and was the President of the National Union of Mine Workers (NUM). He joined NUM in 1983 becoming a shift steward in 1984. He was elected president in 2000, then re-elected for the role in 2003, 2006 and 2009.

The new Deputy Minister of Agriculture is Bheki Cele. He was the national police commissioner from 2009 to 2011. Deputy Minister Cele was elected to the ruling party's national executive committee (NEC) in Mangaung in December 2012. He sits on the international relations committee and the education and health committees. He formerly served as MEC for Transport, Community Safety and Liaison in KwaZulu-Natal from 2004 to 2009. He is a Founding Member for the National Education Union of South Africa.

The CGA congratulates both Minister Zokwana and Deputy Minister Cele on their appointments, and looks forward to engaging with them on the many opportunities and challenges that face the citrus industry.

CITRUS BLACK SPOT

CGA released the following statement to the media "*While the European Commission's Standing Committee on Plant Health agreement on an Implementing Decision relating to citrus black spot is a welcome end to the uncertainty for the industry, the long term prospects for the R8 billion foreign currency earner, 120 000 jobs and their 1,2 million dependents are far from certain.*

The decision brings a certainty to the industry and, encouragingly, does not legislate automatic bans after a set number of black spot interceptions a position mooted in the past. Ominously however, the decision does leave room for additional measures to be imposed after 5 interceptions.

While onerous, the fruit testing requirements, both in the orchard and packhouse, are within our industry capacities. Also, while the targeting of specific high-risk fruit instead of a uniformly applied method is a progressive move, some fruit like early Valencias next year will be unfairly affected as only the late crop poses a higher risk of non-compliance. The long term prognosis for the industry however remains in the balance. The South African citrus industry have gone to great lengths and excessive cost to demonstrate their commitment and respect towards the European position on CBS - including testing regimes and a comprehensive risk management process. This is simply not economically sustainable nor fair as South Africa has been singled out for special treatment by the EU in this regard.

This matter has been under dispute since 1992 and despite the substantial efforts of the Departments of Agriculture, Forestry and Fisheries, Trade and Industry, as well as the CGA both locally and abroad, there is still a dispute regarding the magnitude of the risk, or the measures required for adequate mitigation. It is now imperative that this dispute â€“ and the science that underlies it â€“ is resolved once and for all.

While in the short term the industry will adhere to and implement the necessary measures proposed by the EU for long term certainty the CGA calls on the new Minister of Agriculture, Forestry and Fisheries , Minister Senzeni Zokwana, to prioritise the swift and amicable resolution of the CBS dispute with the European Union. The future of this important agricultural sector and the many jobs it creates depends on this resolution."

This issue has enjoyed great media interest this week – with most wanting to sensationalise the issue through asking questions such as does the citrus industry believe that South Africa has been unfairly singled out given that their track record is better than other southern hemisphere citrus suppliers? Is this just another example of protectionism by the EU's southern member states? CGA would rather concentrate on compliance to the new emergency regulations – to this end we are engaging with DAFF to fully understand what growers need to do to fulfil the requirements contained in the new measures. There is no time to dwell on fairness or protectionism – the requirements have been established and we have to do what needs to be done in order to ensure trade is not disrupted. **CGA and CRI are discussing these details with DAFF and will get information out to growers early next week so all understand their roles and responsibilities.**

PACKED AND SHIPPED

To Week 22 **Million 15 Kg Cartons**	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2012	2013	2014	2013	2014	2014	2014	2013
Grapefruit	6.5 m	8.9 m	6.8 m	6.1 m	5.3 m	16.5 m	15.2 m	17.9 m
Soft Citrus	3.4 m	3.4 m	3.6 m	2.7 m	2.7 m	9.2 m	9.3 m	8.4 m
Lemons	3.4 m	4.9 m	5.1 m	3.8 m	3.9 m	12.1 m	12.1 m	10.6 m
Navels	4.3 m	4.1 m	2.8 m	1.7 m	1.2 m	25.8 m	25.8 m	25.4 m
Valencia	0.1 m	0.1 m	-	-	-	49.5 m	49.5 m	51.4 m
Total	17.7 m	21.4 m	18.3 m	14.3 m	13.1 m	113.1 m	111.9 m	113.7 m

GROWERS' ENSURE A COMPETITIVE AND SUSTAINABLE SOUTHERN AFRICAN CITRUS INDUSTRY BY FUNDING AND GUIDINGTHE CGA GROUP (CRI; CITRUS ACADEMY; CGACC; RB AND XSIT)