

FROM THE DESK OF THE CEO (27/14)

Justin Chadwick (18 July 2014)

QUOTE OF THE WEEK “You know everybody is ignorant, only on different subjects” Will Rogers

PMA FRESH CONNECTIONS

I have had the privilege of serving on the PMA Country Council over the past few years', the Council is led by some household names in the fresh produce industry and has shown tremendous growth and added value to the South African fresh produce industry. Without doubt the highlight of the PMA's calendar is the Fresh Connections conference – the 2013 event was one of the best conference I have ever attended; good networking opportunities and an excellent program with valuable insights. So enter into your diary now; **PMA Fresh Connections: Southern Africa Conference & Expo 2014**, taking place from **13-14 August at the CSIR International Research Centre in Pretoria**.

More than 400 local and global fresh produce supply chain leaders from throughout South Africa and beyond are expected to attend - including growers, importers, exporters, wholesalers, retailers and input suppliers.

The conference theme, 'Taking Fresh to the Next Level', ensures an innovative educational programme. The programme includes 11 sessions and over 30 speakers, covering key topics such as:

- The Evolving Global Marketplace
- Informal Trading Networks
- Opportunities in Africa
- Disruptive New Technologies that Will Reshape the Industry
- Retail Revolution

For more information on the program, pricing and to register, please visit the conference web page:

www.pmafreshconnections.co.za. **Register by 14 July to take advantage of the early registration fee.** PMA members receive additional discounts! If you are not yet a member of PMA, you can find more information pertaining to member benefits on the website or by contacting Marianne van der Laarse at mvanderlaarse@pma.com

AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA)

On Friday 11 July the dti organised an AGOA retreat to consider activities surrounding the USA's review of AGOA. For citrus exporters to the US AGOA allows duty free access. AGOA concludes in September 2015, and there is concern that it may not be renewed; or that South Africa may be excluded from the beneficiaries. The retreat was addressed by dti officials – including the Director General (Lionel October), and Ambassador Rasool. Although South Africa has been the main beneficiary of AGOA, this has also benefited the sub Saharan African sub region. A lot of work will need to be done to ensure that these benefits continue and that growth through trade is encouraged.

There is talk that South Africa has “graduated” – and has been so successful in development that it no longer needs preferential treatment. This is countered by the argument that a country should not be penalised for developing; otherwise what is the incentive to improve. The US has for some time supported development through trade rather than aid; the citrus industry's growth in exports to the USA is a fine example of how AGOA has realised its goals.

The CGA has committed resources to continue to assist Ambassador Rasool and his Embassy staff in convincing the US that AGOA is meeting its desired objectives; and that continuation (with South Africa included) makes good sense for both South Africans and Americans.

Trade with the USA is in the region of R130 billion – with roughly 50% imports from USA and 50% exports to the USA. To date in 2014 1.2 million cartons of navels and 0.4 million cartons of soft citrus have been exported to the US – this represents 8% of navel exports and 6% of soft citrus exports. Exports are slightly behind 2013 for navels (1.4 m) and ahead of 2013 soft citrus (0.2 m). According to the Navel Focus Group, navel exports should start picking up, as Californian citrus has now come to an end.

PACKED AND SHIPPED

To Week 29 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	11.1 m	15.4 m	13.6 m	14.8 m	12.6 m	16.5 m	14.9 m	17.9 m
Soft Citrus	5.7 m	5.9 m	7.2 m	5.9 m	6.8 m	9.2 m	10.5 m	8.4 m
Lemons	7.1 m	8.2 m	10.4 m	7.8 m	9.3 m	12.1 m	12.3 m	10.6 m
Navels	18.9 m	18.9 m	17.6 m	17.1 m	14.9 m	25.8 m	25.4 m	25.4 m
Valencia	9.2 m	8.6 m	9 m	5.6 m	4.8 m	49.5 m	49.5 m	51.4 m
Total	52 m	57 m	57.8 m	51.2 m	48.4 m	113.1 m	112.6 m	113.7 m

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