Citrus Growers' Association OF SOUTHERN AFRICA
Grower levies working for you!

justchad_cga

FROM THE DESK OF THE CEO (18/15)

Justin Chadwick (15 May 2015)

QUOTE OF THE WEEK "A recent Castrol global survey has placed Jakarta as the most congested city in the world"

Jakarta Post

THAILAND

You would never believe that Thailand is under military rule – there is no sign of military or the police throughout Bangkok and life goes on as usual. The only reminder that there is political disruption is the slow pace of regulatory change – and in particular consideration of the changes required to once again allow South African table grapes access to the Thai market. With the enthusiastic leadership of Ambassador Marks and the continued perseverance of her Embassy staff the process will continue – hopefully with a favorable outcome in the near future.

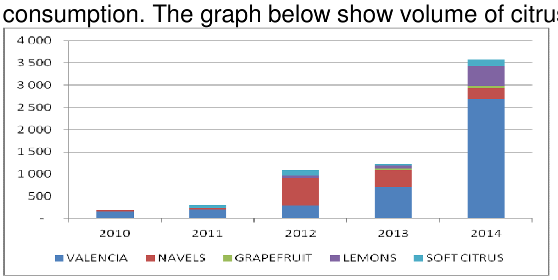
From a citrus perspective the product is being received in Thailand, but not in any great volumes. There is still a lot of work to be done to fully supply Thailand (and other Asian markets). And the learning needs to be on both sides. There is little knowledge about South Africa and our ability to produce top quality product; with the accompanying assurance regarding food safety, ethical production and environmental awareness. The wide range of South African fruit products needs to be promoted in these markets. Likewise, the South African producer and value chain role-players need to understand better the Asian market – some lessons learnt from supplying traditional South African markets will work in Asia; while others are not appropriate. We will need to adapt to the market needs and package our offer accordingly.

INDONESIA

The distance from our hotel to the Jakarta airport was 35 Km – and it took us two hours. It would have taken a lot longer but for the McLaren test driver we had as a taxi driver. We sped along the emergency lane until that became as blocked as the three lanes alongside, twice we tagged in behind a VIP cavalcade and with hazards on and hooter blaring as we advanced through traffic with a police escort on a motorbike (siren and blue lights going), and finally he resorted to the grass embankment alongside the road to get us there. Not once did I tell him we were running late (as we actually were not late at all) – but he felt it his responsibility to get us there quickly. What was fascinating was how some entrepreneurs have developed their business – about 10 Km before the airport hundreds of motorbikes and scooters line the freeway with the riders waving traffic down; for a small fee they take passengers from the cars and whisk them through the traffic (luggage and all) to the airport – I guess if you are running late a quick dash with 20Kg's on your lap is a good choice.

But once again enough Trip Advisor. The reason for visiting Indonesia was to establish where the process for Mutual Country Recognition (MCR) had progressed to; determine the state of play for permits for exports to Indonesia and meet with the Ambassador and other South African Embassy staff.

The visit by the South African Deputy President (Cyril Ramaphosa) accompanied by DAFF officials had paved the way for discussions around MCR. The MCR visit has been budgeted and possible dates in July 2015 are under discussion. Should the MCR visit be successful this will pave the way for renewed usage of Jakarta port and recognition of South African food safety systems – reducing some of the certification and administration requirements. With regard to permits – Indonesian importers have until 20 May 2015 to submit applications for imports for the second semester of 2015 (July to December). Exporters who have committed to a program with an Indonesian importer must meet their commitment – should an importer not meet 80% or more of their allocation then they lose their permit for subsequent semesters. Importers need to state clearly the country of origin of the product, the supplier's details (including GAP certification), the quantity and type of product – in addition the importer needs to have sufficient infrastructure to receive, store and deliver the produce so that it remains in good quality and safe for human consumption. The graph below show volume of citrus exports (tons) to Indonesia over the past 5 years.



The Fruit South Africa delegation would like to thank Ambassador Sifuba and his staff for their attention to the fruit industry issues – in particular Willem Geerlings who has tirelessly followed up on the Indonesian visit to South Africa and other fruit related matters.

PACKED AND SHIPPED

Both the Soft Citrus (14/5) and Grapefruit (13/5) Focus Groups held their meetings this past week – and both decreased their predicted final volumes for 2015; grapefruit by a significant 6%.

To end Week 19 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	**2013**	**2014**	**2015**	**2014**	**2015**	**2015**	**2015**	**2014**
Grapefruit	6.4 m	5.5 m	5.2 m	3.4 m	2.6 m	15.3 m	14.4 m	15.6 m
Soft Citrus	2.4 m	2.4 m	2.6 m	2 m	2 m	10 m	9.9 m	10 m
Lemons	3.6 m	3.5 m	4.2 m	2.6 m	2.8 m	13.6 m	13.6 m	13.2 m
Navels	1.3 m	0.9 m	1 m	0.2 m	0.3 m	25.1 m	25.1 m	26 m
Valencia	0.1 m	0.1 m	-	-	-	49.1 m	49.1 m	50.9 m
Total	13.8 m	12.4 m	13 m	8.6 m	7.7 m	113.1 m	112.1 m	115.7 m

SOUTHERN AFRICAN CITRUS GROWERS' HAVE INVESTED IN THEIR FUTURE THROUGH THE ESTABLISHMENT AND CONTINUED FUNDING OF CGA, XSIT, CRI, RIVER BIOSCIENCE, CGACC AND CITRUS ACADEMY