



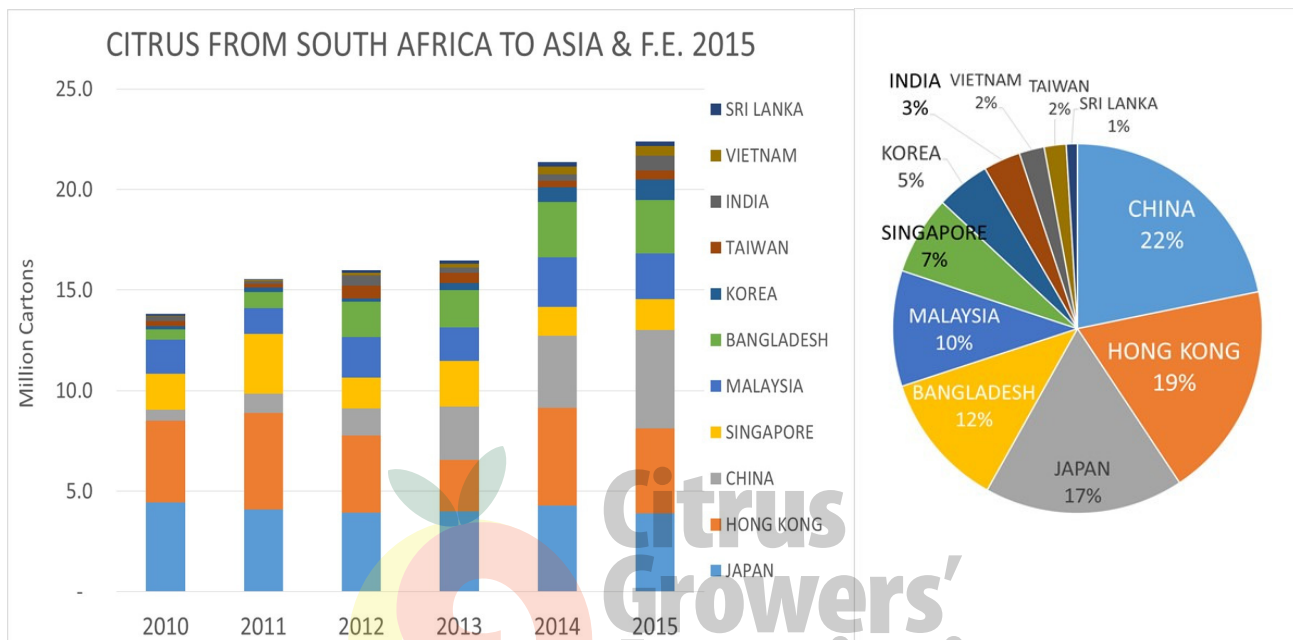
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FROM THE DESK OF THE CEO (40/15)

Justin Chadwick 23 October 2015

QUOTE OF THE WEEK "The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways" John F Kennedy

CITRUS EXPORTS TO ASIA 2015



The South African citrus industry's decision to focus on exports to Asia is paying dividends as export volumes continue to increase in these markets. Volumes have increased from about 14 million cartons in 2010 to almost 22 million in 2015. Exports to Hong Kong and Japan remain significant but with little growth. There has been significant growth in exports to China, South Korea and Bangladesh, and growth in the Malaysian market.

PRODUCE MARKETING ASSOCIATION (PMA) ANNUAL CONVENTION

Today the PMA hosts their annual Fresh Produce Convention in Atlanta, Georgia. CGA's Bruce McEvoy and I took the opportunity to visit Washington in the days leading up to the Convention. Meetings were held with the South African Embassy, USDA APHIS, and USTR. The timing was important as the African Growth and Opportunity Act (AGOA) review is underway and is facing some serious challenges. AGOA is important to the citrus industry as it allows duty free access for the 50 000 tons of South African citrus entering the US market. The problem with the review involves access to the South African market for US poultry, beef and pork. This involves both SPS and tariff issues. DAFF, DTI and DIRCO are working hard at getting the issues resolved so that the review is favourable for South Africa. An unfavourable review could impact on products exported to the US (including citrus).

Meetings with APHIS were arranged to discuss progress in the revision of the treatment period. After a two year pilot project all results have been positive. APHIS are finalising their reports and recommendations and it is hoped that this will be finalised before the start of the 2016 season. This is also true of the cutting of fruit both at departure and entry ports – no pests have been found and APHIS have been requested to terminate this requirement. 2015 was a successful US campaign in the US with no problems at the discharge ports (Newark, Houston or Philadelphia).

PACKED AND SHIPPED

To end Week 42 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	18.2 m	15.6 m	16.1 m	14.9 m	16 m	15.3 m	16.1 m	15.6 m
Soft Citrus	8.4 m	9.9 m	10 m	9.6 m	10 m	10 m	10 m	10 m
Lemons	10.6 m	13.2 m	15 m	12.9 m	14.7 m	13.6 m	15 m	13.2 m
Navels	25.4 m	26 m	24.5 m	26 m	24.5 m	25.1 m	24.5 m	26 m
Valencia	51 m	50.4 m	52.4 m	46.8 m	50.1 m	49.1 m	52.4 m	50.9 m
Total	113.6 m	115.1 m	118 m	110.2 m	115.2 m	113.1 m	118 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