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FROM THE DESK OF THE CEO (43/15)

Justin Chadwick 13 November 2015

QUOTE OF THE WEEK *"Despite all our accomplishments we owe our existence to six inches of topsoil and the fact it rains"* Anon

EUROPHYT OCTOBER REPORT

The EU Europhyt report for October 2015 with respect to CBS interceptions shows that Argentina had 3 interceptions, Brazil 7, South Africa 4 and Uruguay 49. This brings the 2015 total to Argentina 17, Bangladesh 1, Brazil 12, South Africa 15, Swaziland 2 and Uruguay 61. SHAFTE figures indicate Argentina exported 170 000 tons to the EU in 2015 (10 000 tons per interception), South Africa 700 000 tons (47 000 tons per interception) and Uruguay 55 000 tons (900 tons per interception). SHAFTE does not have figures for Brazil, however, in 2013 and 2014 the average exports from Brazil to the EU was 20 000 tons – if the 2015 Brazilian exports to the EU were on average this would indicate 1 200 tons per interception.

UPDATE ON RAINFALL

Spring rains in early September are now folklore and heat waves in October herald a difficult summer for growers in the northern regions of South Africa, Swaziland and Zimbabwe. South Africa's drought-hit northern Mpumalanga and Limpopo provinces have been declared disaster areas for agriculture; while the sugar-growing province of KwaZulu-Natal would soon be declared a disaster area for agriculture. The province has already been declared as such for general water supplies. CGA Regional Administrators in the north report of temperatures between 35 and 40 C and little to call rain in September and October. In Hoedspruit the Blyderivierspoort dam is 73% full; while the Tzaneen dam has dropped over the past month from 58 to 50%. In Mpumalanga the Kweni dam is at 79% (October 2014 83%; 2013 97%) with growers on 42% water restrictions, the Driekoppies is at 74% (October 2014 61%; 2013 74%) with water restrictions at 40%. In Swaziland the Maguga dam is at 59% (October 2014 80%; 2013 88%) with Swaziland growers on water restrictions of 40%. In Senwes only 9 mm was recorded in October. In Pongola area the situation is dire with the Bivane dam at only 19% (October 2014 61%; 2013 74%). In KZN some towns are already on "water shedding" where the municipality simply switches off the water during the day, while on the KZN South Coast salt water is being pumped through to households due to the poor river flow.

The situation for the Eastern Cape remains good with an abundance of rain recorded – to end October Sundays River region had already surpassed the long term annual average. Likewise at present the Western Cape has sufficient water.

SOUTH AFRICAN CITRUS INDUSTRY DISAPPOINTED AND FRUSTRATED BY AGOA DECISION

The citrus industry is disappointed that the US Administration has made a recommendation to suspend certain trade benefits for South Africa, under the African Growth and Opportunity Act (AGOA). What makes this decision particularly frustrating is that citrus has been a shining example of what the US Administration sought to achieve through AGOA: real development with job creation and the establishment of vibrant rural economies. For fresh citrus exports to the US, the impact of a withdrawal of benefits would mean South African citrus losing competitiveness with its competitors – most noticeably Peru, Uruguay and Chile – all of whom have preferential trade agreements.

The CGA is confident that the South African government is working hard, together with their US government counterparts, to address the outstanding issues around meat imports into South Africa.

A successful resolution must be the only outcome. Our economy can do without the negative impact this would have on economic growth – not to mention the human misery of potential job losses.

MEETING FOR THOSE EXPORTING TO SOUTH KOREA

It is important that those pack houses registered for South Korea attend a meeting organised by DAFF at Tzaneen Country Lodge on 24 November 2015 at 09h30. During the past few seasons those packing for South Korea have had an increasing amount of rejections due to incorrect labelling on cartons. This is putting that entire programme at risk, and DAFF is implementing punitive measures for serial offenders. This will be the main agenda item – however other aspects of the programme will also be covered. The meeting is open to all those involved in the South Korean programme and it is advisable for all to have representation.

PACKED AND SHIPPED

This will be the last week that this table will be presented as the season is all but done. In the forthcoming newsletters a review of each of the citrus sectors will be prepared.

To end Week 45 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	15.3 m	16 m	15.3 m	16.1 m	15.6 m
Soft Citrus	8.4 m	10 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	51.3 m	50.7 m	52.5 m	47.7 m	50.5 m	49.1 m	52.5 m	50.9 m
Total	113.9 m	115.5 m	118.1 m	111.5 m	115.7 m	113.1 m	118.1 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