FROM THE DESK OF THE CEO (20/16) (Follow me on justchad_cga)

Justin Chadwick 3 June 2016

"With self-discipline all things are possible" Theodore Roosevelt

INTER CITY FUN RUN

Congratulations to all those who competed the Comrades Marathon, 90 gruelling kilometres between Pietermaritzburg and Durban. Derek Donkin, SUBTROP CEO, completed the race in a commendable 8 hours 42; Vijan Chetty of PPECB completed his 10th Comrades securing his green number. Congratulations to Dr Boitshoko Ntshabele our Agricultural Attache in Brussels who had to train in the European winter so as to line up fit and ready in Pietermaritzburg last Sunday. If any other stakeholders in the fruit industry took part please let me know.

FIRST BULK REEFER FOR 2016 WITH SOUTHERN AFRICAN CITRUS ARRIVES IN ST PETERSBURG (Mikhail Fateev)

Supplies of fresh fruits from South Africa to Russia started after establishment of diplomatic relations between our countries in 1992. Thanks to geographic position, harvest of fruits in South Africa does not compete with production of fruits in Russia, but on the contrary, adds to consumer basket of Russians fresh vitamin produce in winter and spring months when demand in it is high. As for citrus fruit, they are not cultivated in Russia, nevertheless remaining one of basic products for healthy nutrition so important especially for children and convalescents.

During the last 24 years fruits from South Africa have acquired firm position in ration of Russians. Russian market receives 10-12% of fruits produced for export in South Africa. Mainly these are citrus (oranges, grapefruits, lemons, mandarins), as well as table grapes, pears, apples, plums. Lately Russia also imports from RSA such exotic fruits as mango and avocado. Fruits have become a major item of South African exports to Russia accounting for nearly 30% of trade turnover between our countries. That means the co-operation between our countries in this sector provides jobs and salaries for nearly a million of South African agricultural workers. On the other side high quality and affordable South African fruits constitute almost one forth (in citrus, for example) of fruit basket of millions of Russian families.

An important landmark for strengthening and enhancing of bilateral relations became an agreement between Presidents of Russian Federation Vladimir Putin and of RSA Jacob Zuma reached in August 2014 to increase supplies to Russia of fruits from South Africa. Such agreement had a special importance in the context of sanctions and limitation in supplies of fresh produce from EC countries.

Refer vessel "Baltic Heather" provided by maritime company "Baltic Shipping" based in St. Petersburg is expected to arrive at port of St. Petersburg on the 26th of May. It will mark the first direct vessel delivery of fruits from South Africa in season of 2016. The vessel will bring 3 thousand tons of various fruits, citrus, pears, table grapes for the Russian people from friendly South Africa.

A delegation from South African Embassy in Moscow arrives to receive the first shipment of vitamin products headed by Isaak Nyanisso Miti, Minister-Counsellor of the Embassy, as well as a leading South African TV journalist Tumelo Motothoane and head of food and agriculture section of Russia-RSA Business Council Mikhail Fateev.

NATIONAL AGRICULTURAL MARKETING COUNCIL (NAMC) CALLS FOR COMMENTS ON THE CITRUS FRUIT INDUSTRY APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES

On Friday 27 May Notice 299 of 2016 was issued by the NAMC, calling for comments and inputs from industry role players with regard to the CGA's application to administer a levy on export citrus. This follows a process of strategic planning by the CGA Board, and presentation of the new levy proposal to growers at the CGA Roadshows in February and March 2016. The notice was distributed to all growers on the CGA database on Monday 30 May 2016. Any role-player wishing to get a copy of the notice can contact Gloria Weare on gloria@cga.co.za. Please note that comments must be submitted on or before 10 June 2016.

VERIFIED GROSS MASS (VGM) OF CONTAINERS: DEADLINE FOR SAMSA CERTIFICATION COMPLIANCE IRO WEIGHING METHOD 2 (from Mitchell Brooke mitchell@cga.co.za)

The SOLAS requirement to verify the gross mass (VGM) of packed containers prior to delivering to port terminals is the 1st July 2016. However TPT will enforce the VGM on the 27th June. If the method to calculate the gross mass of the container is done by using the sum total of the masses of pallets that are weighed either at the packhouse or at the container packing facilities (e.g. Cold stores) then this is classified as method 2 of the SOLAS/SAMSA regulations. Therefore as required, the weighing method will need to be verified by a SAMSA accredited agency. As the deadline for the regulation is a mere 3 weeks away it is vitally important that producers or packhouses make contact with the respective export agent/s and/or shipping agents to obtain the weighing verification and compliance criteria as soon as possible if an audit is required to verify the weighing process. Once the audit criteria has been fully implemented, the exporter and/or shipping agent will need to appoint a verification agency to audit the criteria to verify that the masses of pallets weighed and recorded for VGM purposes complies with the SAMSA requirements. There has been sufficient communication distributed to exporters and shipping agents regarding the need to verify the masses of containers in terms of the SOLAS/SAMSA requirements. If exporters and shipping agents require that packhouses weigh pallets for this purpose then the applicable audit criteria must be in place as soon as possible so that the weighing verification can be audited ahead of the regulation implementation date.

PACKED AND SHIPPED

The Grapefruit Focus Group met this past week and reverted back to the original estimate – with Limpopo River region now completed with their packing being slightly above original estimate. The Lemon Focus Group met and left their prediction unchanged.

To end Week 27/5/16 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	**2014**	**2015**	**2016**	**2015**	**2016**	**2016**	**2016**	**2015**
Grapefruit	10.5 m	9.1 m	6.1 m	5.2 m	3.6 m	12.4 m	**12.4 m**	16.1 m
Soft Citrus	3.7 m	4 m	5.2 m	2.9 m	3.9 m	11.2 m	11.3 m	10 m
Lemons	5.3 m	6.4 m	7 m	5.1 m	6 m	16.1 m	16.1 m	15.1 m
Navels	3.5 m	4.1 m	6.3 m	1.7 m	3.6 m	25.1 m	25 m	24.5 m
Valencia	0.3 m	0.2 m	0.2 m	-	0.2 m	46.4 m	46.4 m	52.7 m
Total	23.3 m	23.8 m	24.8 m	14.9 m	17.3 m	111.2 m	111.2 m	118.3 m

SOUTHERN AFRICAN CITRUS GROWERS FUND THEIR FUTURE THROUGH THE CGA GROUP (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY AND CITRUS ACADEMY)