

FROM THE DESK OF THE CEO

(38/16)

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Justin Chadwick 7 October 2016



“Don’t cry because it’s over, smile because it happened” Dr Seuss

DAFF COORDINATING MEETING

Reminder regarding DAFF Coordinating Roadshow for next week; and CMF on 26 August at 10h00 at Canal Walk:

DATE	VENUE	TIME
10 October 2016	Nelspruit – CRI	09h00
11 October 2016	Hoedspruit – Hengel Klub	14h00
12 October 2016	Letsitele – Tzaneen Country Lodge	09h00
13 October 2016	Limpopo River, Alicedale, Tshipise	09h00

DR HENNIE LE ROUX

Words cannot express the sorrow experienced from the passing of Dr Hennie Le Roux, CRI Biosecurity Manager. Hennie’s first love was his family, sincere condolences to Mariana, Hestie, Meyer and Wilhelm. His second love was everything citrus, he was like a walking Wikipedia/Encyclopaedia and google search when it came to citrus. He will be remembered for his straight forward, no nonsense, and can do approach. For me personally I have lost a friend and mentor, he will be missed but never forgotten.

ECONOMIC PARTNERSHIP AGREEMENT (EPA) BETWEEN EU AND SOUTHERN AFRICAN CUSTOMS UNION (SACU)

The EPA’s concession for sweet oranges, fresh (08051020) applies over two periods 1 June - 15 October and 16 October – 30 November of each year. South Africa already enjoys duty free market access under the TDCA for the period 1 June – 15 October. The EPA therefore provides an extension of this concession for the period 16 October – 30 November; Date of provisional entry into force: 10 October 2016 - for all products listed in the EU list of concessions (Annex I), except for those agricultural (and fisheries) products denoted by an * in the schedule.

Agricultural products denoted with an * will only enjoy the market access concessions as soon as two requirements have been fulfilled: all of SACU have ratified the EPA (Article 113 (5)) and when both the EU and South Africa have notified their respective GI protection measures in place to provide protection to each other’s GI (Article 113(6)). This will be complied with during October 2016. According to Article 16 of Protocol 3 of the EPA, once the GI protection notifications have been communicated, market access for those agricultural products marked with an * will commence on the first day of the month following compliance on the GI requirement - hence the 1 November 2016.

Staging category “D*”, which is marked with an * (Annex I, Section A, para. 6 (e)) implies that the EPA market access concession (for the period 16 October – 30 November) will only apply to sweet oranges, fresh under this staging category when the second requirement mentioned above will have been complied with (i.e. 1 November 2016);

From 1 November 2016 to 30 November 2016 the customs duty on sweet oranges under this staging category will be reduced to 91% of the basic duty (16%) = 14,56%

So to summarise for 2016: For the period 1 June – 15 October 2016 = duty free (under the TDCA);

For the period 16 October – 31 October 2016 = 16%; For the period 1 November – 30 November 2016 = 14,56%

For the period 1 December – 31 December 2016 = 16%

As from 2017: Sweet oranges under this staging category will enter the EU during the time period: 1 June - 15 October = duty free; and during the period 16 October - 30 November subject to the duties as indicated below (assuming the base rate will be 16%):

2017: the customs duty is to be reduced to 82% of the basic duty = 13,12%; **2018:** the customs duty is to be reduced to 73% of the basic duty = 11,68%; **2019:** the customs duty is to be reduced to 64% of the basic duty = 10,24%; **2020:** the customs duty is to be reduced to 55% of the basic duty = 8,8%; **2021:** the customs duty is to be reduced to 45% of the basic duty = 7,2%; **2022:** the customs duty is to be reduced to 36% of the basic duty = 5,76%; **2023:** the customs duty is to be reduced to 27% of the basic duty = 4,32%; **2024:** the customs duty is to be reduced to 18% of the basic duty = 2,88%; **2025:** the customs duty is to be reduced to 9% of the basic duty = 1,44%; **2026:** the remaining customs duty is to be reduced to 0% of the basic duty = 0%

For more information on the transition please contact justchad@iafrica.com

PACKED AND SHIPPED

To end Week 30/9/16 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	15.6 m	16.1 m	13.8 m	14.7 m	13.2 m	12.4 m	13.8 m	16.1 m
Soft Citrus	9.9 m	9.9 m	12.1 m	9.2 m	11.2 m	11.2 m	12.1 m	10 m
Lemons	13.1 m	14.8 m	15 m	14.4 m	14.6 m	16.1 m	15.1 m	15.1 m
Navels	26 m	24.5 m	26.2 m	23.2 m	25.4 m	25.1 m	26.2 m	24.5 m
Valencia	50 m	51.5 m	41.1 m	43.9 m	38.7 m	46.4 m	41.9 m	52.7 m
Total	114.6 m	116.8 m	108.2 m	105.4 m	103.1 m	111.2 m	109.1 m	118.4 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)