

FROM THE DESK OF THE CEO (19/17)

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“Money can’t buy love, but it improves your bargaining position” Christopher Marlowe

QUALITY – THE NON NEGOTIABLE

Any exporter of fresh produce will tell you that the one non-negotiable when it comes to repeat orders is quality. You can get everything else right, you can offer all sorts of additional benefits – but if your quality is not as expected then you can be pretty sure that the buyer will not come back for more. Most (if not all) packhouses and export agents have their own employees checking quality through the harvesting and packing process, while every consignment is inspected by the Perishable Products Export Control Board (PPECB). The PPECB stamp of quality assurance ensures that every consignment passed for export meets the minimum standard. With an industry as geographically spread as the South African citrus industry getting inspectors into every packhouse to inspect every consignment is no easy task. With the present “end point inspection” (EPI) methodology inspectors travel extensively throughout the industry, many living a fairly nomadic life – moving from citrus to deciduous fruit as the seasons change. The EPI methodology is under scrutiny – as more modern options are being explored. For many years industry has requested Department of Agriculture, Forestry and Fisheries (DAFF) to implement a “quality management system” (QMS) for those packhouses that meet certain criteria. The new Agricultural Products Standards Act allows for implementation of such a methodology. DAFF and PPECB are in the process of researching this option – and hopefully this will result in a move to QMS. QMS means that growers/packhouses take responsibility for their system; those with inadequate systems and those with system failure remain on or revert back to end point inspections; a big incentive to get the system right, and ensure effectiveness.

CGA MARKET INTELLIGENCE COMMITTEE

John Edmonds (CGA Information Manager) has convened a committee to assist in guiding CGA in providing appropriate market intelligence. The committee is composed of variety focus group members and representatives from the Fresh Produce Exporters Forum (FPEF). The committee has met on two occasions – reports on lemon and soft citrus have been completed (compiled under contract by Dr Hoppie Nel) with summaries prepared by John Edmonds. The summaries and complete report are available for CGA and FPEF members (and will be made available on the CGA Members section of www.cga.co.za).

PACKED AND SHIPPED

The estimate remains unchanged from last week. With almost half of the predicted **Grapefruit** packed it is well ahead of 2016, and slightly ahead of 2015. ¾'s of **satsumas** are in boxes, as are 1/3rd of **clementines**; the big volume of mandarins has not yet got going. **Lemon** packing shows the forecasted growth in packing tempo, while **navels** reflect the fruit drop problem.

More **grapefruit** has been sent to the EU (54%) and Russia (10%) than in 2016 (50% and 7%). The Asian region has received less to date (28%) than 2016 (35%). Due to technical barriers to trade the EU has received far less **lemons** (12%) than 2016 (32%). These lemons have been shipped to Russia (17% vs 6%), Asia (19% vs 13%) and Middle East (47% vs 43%). **Soft Citrus** to the EU (65%) is the same as 2016 – but the distribution to UK (43%) and mainland (22%) differs from 2016 (34% and 31% respectively).

To End Week 20 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/Agrihub	2015	2016	2017	2016	2017	2017	2017	2016
Grapefruit	6.3 m	4.4 m	6.9 m	2.8 m	3.4 m	15.6 m	15.1 m	13.2 m
Soft Citrus	3.3 m	4.4 m	3.3 m	3.3 m	2.6 m	13.2 m	13.5 m	12.2 m
Lemons	5.3 m	6.3 m	6.9 m	5.2 m	5.2 m	17.5 m	17.5 m	15 m
Navels	2.4 m	4.2 m	2.6 m	2.1 m	1.1 m	26.3 m	22.9 m	26.2 m
Valencia	0.1 m	0.1 m	0.1 m	-	-	50.1 m	49.4 m	41.8 m
Total	17.4 m	19.4 m	19.8 m	10.4 m	9.8 m	122.7 m	118.4 m	108.4 m

THE CGA GROUP OF COMPANIES (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE FUNDED BY SOUTHERN AFRICAN CITRUS GROWERS