

FROM THE DESK OF THE CEO (27/18)

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Justin Chadwick 6 July 2018



“The most wasted of days is one without laughter” E E Cummings

BURGERSFORT AND OHRIGSTAD GROWERS

Anybody who has travelled through the Burgersfort and/or Ohrigstad area in the recent past will have noticed the big, new developments of citrus that line the main road. According to the tree census these two areas have 1 231 Ha under citrus. Most will agree that newer orchards have not been registered in the census, and growers in the region have started with expansion to present plantings. Export volumes in 2016 were already at the 2 161 373 carton mark, which climbed by over a million cartons to 3 217 859 in 2017. As these new orchards come into production, this volume will also grow. Until now, these areas have fallen under the CGA's Nelspruit Region. However, geographically the area falls closer to both Hoedspruit and Senwes (Groblersdal/Marble Hall). In addition, the areas now have a combined volume that is on par with other CGA regions – and could be considered as a completely separate region. In order to ensure that CGA is adequately representing all citrus growers in southern Africa, growers in the Burgersfort and Ohrigstad area have been sent a questionnaire in to ascertain their preference. *If you are a grower in the Burgersfort or Ohrigstad area, and you have not received a questionnaire please contact CGA Research Economist Portia Gasa Portia@cga.co.za. If you have received a questionnaire, please complete and return as soon as possible so that your choice will be included.*

MESSAGE FROM THIS WEEK'S CITRUS MARKETING FORUM (CMF)

On Wednesday, the CMF met in Stellenbosch. John Edmonds (CGA) and Werner van Rooyen (FPEF) provided the following feedback: *The meeting discussed the marketing challenges of the current season with oranges and grapefruit returning to normal volume levels after the drought, facing markets with high levels of stock due to big imports from northern hemisphere suppliers and sluggish consumption levels in Europe. The take home message was that this season will require sound decision making and changes in behaviour to ensure a successful outcome and growers and exporters should be circumspect in deciding what to export, where to export to and what to leave at home.*

PRECLEARANCE INSPECTIONS & COLD TREATMENT (COT) CONTAINER SHIPMENTS FROM DURBAN PORT

The northern production regions (KZN through to Zimbabwe) has experienced very uncharacteristic harvesting and production this year. Grapefruit production peaked three weeks later and higher than usual directly in the peak of Navel production, which also peaked higher than normal. Lemon production and Soft Citrus production has also peaked higher than previous year's volume. This caused much higher than normal truck arrivals in the Durban port, which quickly filled up cold storage capacity causing severe congestion. On the back of this, preclearance inspections by DAFF and PPECB have been very high with exports increasing substantially to markets requiring preclearance inspections and cold treatment container shipments. At this time there have been 1,000 additional containers (2,826) shipped this year from Durban compared to the last 3 years average shipments (1,774). This has had dire consequences on operations as DAFF and PPECB resources have been stretched thin, container equipment has been in short supply, container depot releases have been dire and trucks with Genset units in short supply. DCT Pier 1 and Pier 2 operations has also negatively contributed to the operational challenges as performance has fallen over the last 3-4 weeks with massive truck delays being encountered. The CGA is consulting all stakeholders on the matter to increase operational performance levels for these shipments. DAFF are currently evaluating and addressing the resource constraints to ensure exports are not hindered further this season and for future seasons. These issues will be tabled at the Annual Citrus Coordinating meeting to discuss a way forward.

DEPARTMENT AGRICULTURE, FORESTRY AND FISHERIES (DAFF) ANNUAL COORDINATING MEETING

DAFF have advised that their Annual Citrus Coordinating meeting will be held on **25 October 2018** at **Forever Resort, Loskop Dam**. This meeting is an opportunity for all stakeholders in the industry to meet with DAFF, discuss the 2018 season, and plan for 2019. Notice is being sent out early to ensure good representation from all interested parties. Representatives from cold stores and shipping lines who actively ship cold treatment shipments are encouraged to participate since this is an area requiring a great deal of focus.

PACKED AND SHIPPED

The Grapefruit Focus Group met this past week and made a slight downward adjustment to their prediction.

To Week 26 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2016	2017	2018	2017	2018	2018	2018	2017
Grapefruit	11.3 m	13.3 m	15.4 m	10.4 m	11.8 m	16.8 m	17.7 m	15.7 m
Soft Citrus	7.7 m	7.8 m	9 m	6.8 m	7.2 m	14.7 m	16.4 m	13.4 m
Lemons	10.8 m	13.9 m	12.9 m	11.9 m	11.3 m	20.6 m	20.3 m	19 m
Navels	17.6 m	14.3 m	16.4 m	11 m	11.4 m	25.7 m	25.6 m	21.1 m
Valencia	5.6 m	7.2 m	4 m	2.7 m	0.9 m	53.9 m	53.1 m	53.8 m
Total	53 m	56.5 m	57.7 m	42.8 m	42.6 m	131.7 m	133.1 m	123 m

