

FROM THE DESK OF THE CEO (28/18)

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Justin Chadwick 13 July 2018



“The trouble with normal is it always gets worse” Bruce Cockburn

CGA SURVEY: EXPROPRIATION WITHOUT COMPENSATION (EWC)

Last month CGA Research Economist, Portia Gasia, sent out a survey to all growers to get some idea of their reaction to the EWC process presently taking place in the country. Forty-one growers responded. Although this is a small sample – the responses are worth noting. The growers who responded were from Limpopo and Eastern Cape (30% each), Western Cape (24%), KZN (10%) and Mpumalanga (5%). They had citrus orchards of >200 Ha (35%), 100 to 200Ha and 60-100 Ha (20% each) and between 0 and 30 ha (20%).

Roughly half the respondents felt that the constitution would be changed to allow EWC. Asked what they would do if the Constitution was changed to allow EWC, just over half responded that they would continue as before, as productive growers they felt the change would have no impact. Just over 20% responded that they would continue to farm, but reduce investment. The final 27% responded that they would divest of their land holdings and exit the sector. Respondents also gave alternative options for successful land reform in South Africa. The full report was sent to all growers. Growers are encouraged to take part in future surveys. They are quick and easy to complete, and give the CGA some idea of its member's opinions. If you did not get a copy of the EWC survey results, please contact Portia at portia@cga.co.za (include your PUC so that we can update the communication database).

NICHOLAS (NICK) GUTIERREZ APPOINTED AS CGA REPRESENTATIVE IN THE USA

In June 2013, CGA appointed Bruce McEvoy to represent the CGA in the USA. For the five-year term that Bruce represented the CGA, he has made valuable contributions in the retention, growth and optimisation of South Africa's exports to the USA. This included participation in AGOA discussions with both the South African government and the South African Embassy in Washington – intense advocacy with all those involved in the negotiations, which eventually resulted in continuation of duty free access for citrus products. Bruce started the Houston task team – ensuring that pilot shipments opened up the way for exports into southern ports. Changes to the work plan have improved operational efficiency and reduced costs – without exposing the US to any risk. It has been an immense privilege to have worked with Bruce – his energy, enthusiasm and calm approach has served South African citrus growers well over the past five years. We wish him well in his well-deserved retirement (although with Bruce it is doubtful that he will ever slow down).

From 1 July 2018, CGA have contracted Nick Gutierrez as our representative in the USA. Nick is a veteran from USDA APHIS – he has served in various positions with APHIS since 1997, including stints in Belgium and Mexico. His most recent assignment was as Regional Director for USDA APHIS in Mexico from 2007 to 2015. Nick brings with him a wealth of knowledge on technical market access and a network of contacts in the USA.

OHRIGSTAD AND BURGERSFORT

To date only five growers in this region have responded to the survey regarding regional representation. Please complete the survey – it will literally take less than fifteen minutes – so that your choice is registered.

CGA GROWER DEVELOPMENT COMPANY

Yesterday the CGA Grower Development Company held their Board meeting, and welcomed Ronald Ramabulana to the Board. Ronald previously served as CEO of the National Agricultural Marketing Council (NAMC) and is already making his mark on the company.

One of the Board agenda items was the Annual Report of the CGA GDC – which is being finalized. It is very evident that this company is getting beyond the “forming” stage – and is already starting to perform. As an example – in the past year or so fifty-two business plans have been developed for black citrus growing entities. These business plans are the fundamentals on which enterprises plan, grow and prosper. It is essential that those who have received their business plans use them as a “living document” – update them with new information and follow the recommendations to ensure sustainability and profitability.

PACKED AND SHIPPED

The Sundays River region decreased their navel estimate by one million cartons this past week.

To Week 27 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	11.9 m	14.4 m	15.9 m	11.4 m	12.9 m	16.8 m	17.7 m	15.7 m
Soft Citrus	8.1 m	8.3 m	9.7 m	7.5 m	8.1 m	14.7 m	16.4 m	13.4 m
Lemons	11.5 m	14.8 m	14 m	13 m	12.2 m	20.6 m	20.3 m	19 m
Navels	19.2 m	15.6 m	18.1 m	13.2 m	13.9 m	25.7 m	24.6 m	21.1 m
Valencia	7.8 m	8.4 m	5.8 m	4.9 m	1.8 m	53.9 m	53.1 m	53.8 m
Total	58.5 m	61.5 m	63.5 m	50 m	48.9 m	131.7 m	132.1 m	123 m

