

FROM THE DESK OF THE CEO (4/19)

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Justin Chadwick 18 January 2019



“Against logic there is no armour like ignorance” Laurence J Peter

SOME FACTS ABOUT THE ECONOMIC PARTNERSHIP AGREEMENT

Some talk about the “post truth era”, others talk about “fake news”. When it comes to the truth many don’t allow it to mess up a good story. Here are some facts to set matters straight:

- The recently signed and implemented Economic Partnership Agreement (EPA) between the Southern African Customs Union (SACU) and the European Union (EU) included a change to the import conditions for **oranges** – over ten years the tariff free period would drop from 16% to zero for the period 17 October to end November – all other citrus tariffs remained unchanged.
- The EPA does not include any changes to the **mandarin** tariffs – reports that the EPA impacted on northern hemisphere markets for mandarins are therefore poorly researched.
- In 2018, the South African citrus industry took a decision to halt exports of **oranges** to the EU in mid-September, thus foregoing any benefit from the EPA - reports that the EPA impacted on northern hemisphere markets for oranges are therefore incorrect.
- During December 2016 and again in December 2018, citrus fruit originating in the northern hemisphere was labelled “product of South Africa” in some retail stores in Europe. This makes assessing the **origin** of fruit at final sale point in Europe problematic. Labelling regulations need to be tightened to ensure that consumers (and producers) know the origin of their purchases.

In seeking solutions for a poor start to the northern hemisphere 2018/19 season it is important to start with the facts. As responsible exporters, South Africa will work with exporters and importers from other countries to ensure that we give the consumer what they want. Remember – although citrus exporters from different countries do compete in the market, we are also, together, competing with alternatives to citrus. If a consumer cannot get the desired quality (size, colour, sugars etc.) of citrus fruit they will turn to other, non-citrus alternatives. With a growth spurt in citrus production around the world now is the time for all suppliers to rally together and stimulate demand for citrus products. The market belongs to the consumer.

BURGERSFORT/OHRIGSTAD

The CGA Board has agreed that a representative from Burgersfort/Ohrigstad region will attend Board meetings, with a constitutional change to be considered at the next AGM in order to add this region. Growers in the region have nominated two candidates, and an election will now be held. Gloria (gloria@cga.co.za) will be sending out voting forms. If you are a grower in that region and have not received a form please contact Gloria. The votes are weighted by the last two seasons (2017 and 2018) export volumes. Please note that this only refers to citrus packed in that region.

CGA CITRUS SUMMIT UPDATE

With just over six weeks to the Summit the organizing committee have put together a fantastic program – visit www.cga.co.za. A key topic will be the evolving trends in the citrus industry presented by Philippe Binard (Freshfel) using research generated by CIRAD. With tensions increasing due to increased plantings of earlier and later maturing varieties the “shoulders” of the seasons are becoming more congested and less profitable. These and other trends will be discussed during this session. Registrations can be done through the website.

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