

"The truth does not change according to our ability to stomach it" Flannery O'Connor

BUREAU FOR FOOD AND AGRICULTURAL POLICY (BFAP) TURNS TWENTY

There was cause for celebration as BFAP presented their Baseline Agricultural Outlook for the period 2023 to 2032. It was a meeting of many well-known agriculturists who attended the presentation in person, as well as many who linked in through virtual means. As always the presentations were excellent, and the information well researched. In his opening remarks, Prof Ferdi Meyer spoke about hindsight, insight and foresight, and the importance of all three in researching the next ten years.

In the case of citrus, the following was noted:

- The fast changing external environment is creating additional risk and uncertainty at production level, and consequently throughout value chains into the different marketing channels.
- While citrus production area expanded by close to 40 000 hectares over the past decade, the current investment climate is likely to halt the trajectory.
- The cost of foreign capital, load shedding and the cost of mitigation strategies, additional market requirements, faltering public logistic services, freight rate hikes, the rapid rise in production cost and decline in nominal returns are some of the most prominent factors currently affecting producer decisions.
- Despite the area slowdown, production volume growth is expected to continue. Some of this growth is due to non-bearing orchards, especially mandarins and lemons, reaching maturity.
- Changes in production practices to improve yields and the marketable volumes from established orchards will also play a role in driving volume growth.
- The rise in export volumes will bring significant price pressure in many markets, highlighting the need for government to negotiate favorable competitive access to new markets, and to invest in upgrading port facilities.

The CGA congratulates Ferdi, Tracy, Kandas and the entire BFAP team on twenty years of excellent work, and thank you for the work that you have done for the citrus industry – the tagline “data driven insights” is relevant as you have provided the citrus industry with excellent information allowing for robust engagement.

CITRUS MARKETING FORUM (CMF)

The August CMF will be held on 24/8/2023 at 14h15; to get the link contact Portia portia@cga.co.za.

PACKED AND SHIPPED

The Orange Focus Group (incorporating both navel and Valencia) met this past week resulting in a slight upward adjustment to navel predictions, and a slight downward adjustment to Valencia predictions. The overall prediction is now 10 million cartons off the original estimate. Valencia's are now 5 million off original estimates. The industry is about half way through the Valencia season.

End of Week 32 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	2021	2022	2023	2022	2023	2023	2023	2022
Grapefruit	19.4 m	15.8 m	13.7 m	13.8 m	12.5 m	14.4 m	13.8 m	16.7 m
Mandarins	24.2 m	25.8 m	30.8 m	21.9 m	27.7 m	34.1 m	33.8 m	31.8 m
Lemons	27.6 m	32.0 m	33.8 m	29.8 m	33.2 m	37.3 m	35.5 m	34.7 m
Navels	24.4 m	23.9 m	22.5 m	21.2 m	20.1 m	25.3 m	23.7 m	27.8 m
Valencia	24.2 m	24.8 m	26.8 m	17.1 m	18.8 m	54.5 m	49.4 m	53.8 m
Total	119.8m	122.3m	127.6m	103.8 m	112.3 m	165.6 m	156.2 m	164.8 m