

"Whenever you see a successful business, someone once made a courageous decision." (Peter F. Drucker)

JUSTIN CHADWICK ACHIEVES MILESTONE 25 YEARS AT CGA

Justin Chadwick, CGA CEO, this month achieved the significant milestone of 25 years of service. During a team orientation held recently, Justin provided an overview of his time at the CGA. He reflected on his journey from being the sole employee in 1999 (following industry deregulation) to witnessing the evolution and transformation of the CGA and its companies. What I have come to learn about Justin is: he is well-known, well-liked and widely respected. He possesses an exceptional work ethic and has been instrumental in advancing this industry through numerous challenges. Justin has been an incredible leader for this industry. Congratulations and thank you, Justin!

A ROUND-UP OF SEASON 2024 LOGISTICS AND SHIPPING

If you have attended one of my logistics presentations, I generally allude to the importance of considering the export corridor aspect when it comes to the export logistics environment. There are three main logistics and shipping corridors: 1) the Northern Regions Corridor, exporting from Maputo and Durban ports; 2) the Eastern Cape Corridor, exporting from Port Elizabeth and Coega ports; and 3) the Western and Northern Cape Corridor, exporting from Cape Town port. Each operates uniquely, making it difficult to summarize the season's logistics. Overall, this season has been incredibly challenging, primarily on two fronts: 1) the delivery of containers into terminal stacks, and 2) container shipping delays leading to bottlenecks and an inconsistent supply to markets. These challenges were prevalent at all South African ports. However, specialized reefer shipping to Japan, China, the USA, and Russia remained generally consistent. From a corridor perspective, production and export volume from the Northern Regions was significantly lower, marking the lowest production from this corridor in recent years. The Durban container terminals faced a myriad of equipment challenges that affected ship turn-around times and caused truck delays when entering the terminals. Another persistent challenge was the truck booking system, which prohibited booking slots and thus impacted the effective delivery of containers into the terminals. In some ways, it was fortunate that production and exports from the Northern Regions were low this season, given the extent of the challenges. On a positive note, the terminals significantly increased reefer plug capacity. Although export volumes were lower, there were occasions when plug capacity reached close to 100%. The Maputo port performed well despite the decreased production, exporting approximately 14,600 pallets mainly to Middle Eastern countries, Malaysia, and Bangladesh. The Eastern Cape experienced the most logistics and shipping problems, primarily due to severe and persistent wind disruptions. These disruptions delayed ships, clogged reefer capacity and created a knock-on effect throughout the supply chain. Bottlenecks in this region were widespread throughout the season. The Port Elizabeth container terminal was utilised for three main Europe-bound services, as well as routes to the Middle East and North America, which continuously challenged the terminal's capacity to meet reefer through-put demands. It is also worth noting that exports from the Eastern Cape region increased by 20% this year, adding to the challenges. The majority of fruit produced was exported from Port Elizabeth and Coega. Historically, the Cape Town port functions very effectively during the citrus season due to the surplus container terminal capacity. Wind disruptions, which are prevalent in the summer months, are not typically an issue during the winter citrus export months, thus limiting operational impact. However, uncharacteristic weather events did disrupt operations at the Cape Town container terminals on occasion. There was one instance where prolonged wind and rain disruptions caused a significant bottleneck in the region. The Cape Town container terminals (CTCT and CTMPT) also faced many equipment failure issues. Overall, the port performed well. A new initiative I will be introducing is "The State of Citrus Logistics and Shipping Report," which I will draft after the end-of-season sessions we will be hosting in Durban and Gqeberha during October. This report will provide more detailed insights into the logistics and shipping for the 2024 season, with a focused view on Vision 260. A sincere thanks to Transnet Port Terminals for co-operation on communication platforms, which made a significant positive impact.

PACKED AND SHIPPED

End of Week 39 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Vision 260
SOURCE: PPECB/AGRIHUB	2022	2023	2024	2023	2024	2024	2024	2023	2024
Grapefruit	17.8 m	14.6 m	14.4 m	13.9 m	14.2 m	16.8 m	14.5 m	14.7 m	16.2 m
Mandarins	34.1 m	38 m	41.5 m	37.3 m	41.1 m	43 m	41.7 m	38.0 m	39.6 m
Lemons	37.5 m	35.6 m	34.7 m	35.5 m	34.2 m	37.9 m	34.8 m	35.6 m	39 m
Navels	30 m	24.8 m	25.1 m	24.6 m	24.1 m	25.7 m	25.1 m	24.8 m	22.3 m
Valencia	55.9 m	51.6 m	48.1 m	48.3 m	46.7 m	58.3 m	48.8 m	52.0 m	55.4 m
Total	175.3 m	164.6 m	163.8 m	159.6 m	160.3 m	181.7m	164.9 m	165.1 m	172.5 m