

"If you want to see a rainbow you have to learn to see the rain" Paulo Coelho

GOVERNMENT RELATIONS REMAIN KEY TO MARKET ACCESS

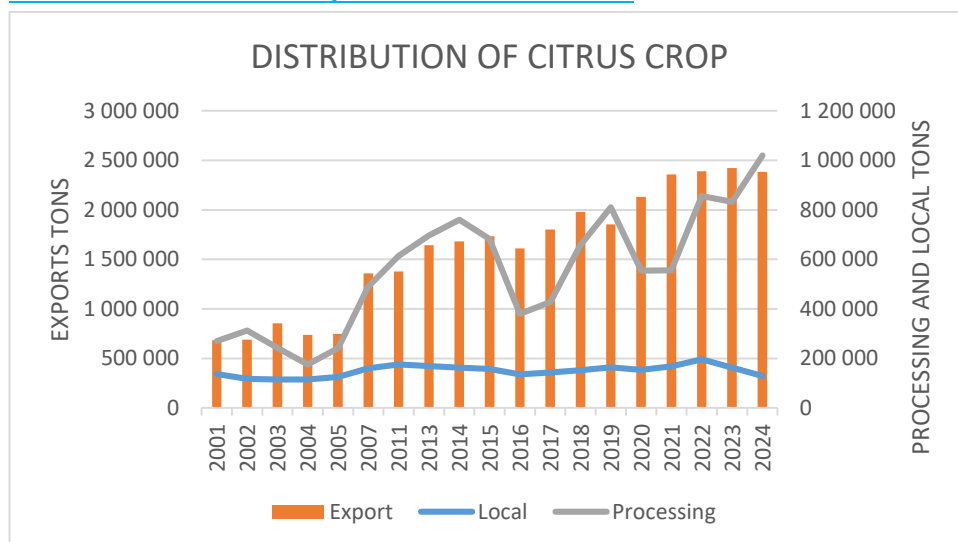
The CGA's first week of March was spent with stakeholders in government in pursuit of further strengthening relationships and assessing market access issues. In some cases, how we gain new markets, and in others, addressing constraints that make southern African citrus uncompetitive in specific markets. It is essential that we continue finding common ground with government to create demand for the additional one hundred million cartons that will come with expected industry growth foreseen by 2032 (totalling 260 million cartons), as well as to address related logistical impediments.

The Department of Agriculture, Land Reform and Rural Development (DALRRD) Director General, Mr Mooketsa Ramasodi, acknowledged the leadership and foresight shown 20 years ago when the CGA and the department went knocking at China's door seeking market access for South African citrus. This seminal moment has since led to growth in the region, with market access to the Philippines, Vietnam and South Korea, amongst others. Further market access progress continue under the leadership of Fruit SA. The DG further informed us of the imminent taking of office of Agricultural Attaches to the United States of America and to the World Trade Organisation in Switzerland. We look forward to collaborating with these colleagues to advance our market interests in the EU and the USA.

News coming out of the USA continue to colour discourse in government and in our sector. Government is planning for a delegation to travel to the USA to state South Africa's case for continued participation in AGOA. AGOA gives our citrus duty-free market access into the American market. This is at the prerogative of US law makers. Various commentators are agitating for a more definitive trade framework to be pursued by government so as to achieve some degree of market certainty. Competitors like Peru, Chile and Argentina already have an advantage over us due to their geographic proximity and the Free Trade Agreements concluded with the USA.

The South African President is set to next week host Presidents of the EU Commission and Council at the South Africa/European Union Summit. The last summit was in Brussels in 2018, 7 years ago. The EU remains a key market, with 35% of our citrus exports, despite challenges faced with implemented unscientific CBS and FCM measures. DALRRD announced at the value chain round tables meeting that the EU is set to maintain current CBS measures for a further 3 years. This confirms the need to expedite the CGA's case at the WTO and to achieve final relief for our growers from these unnecessary and trade restrictive measures.

LOOKING BACK OVER A QUARTER OF A CENTURY



Although export volumes remain dominant (varying between 65% and 75%), processing volumes have kept pace (averaging between 20% and 30%), with a significant upward move in 2024. Local volumes remain flat, while the percentage has dropped from 12 to 4%.