FROM THE DESK OF THE CEO (21/25)

Boitshoko Ntshabele, 23 May 2025

"Wisdom is knowing what to do next, skill is knowing how to do it, virtue is doing it." David Starr Gordon

US TRADE NEGOTIATIONS OFFER OPPORTUNITIES

The South African Team, led by President Ramaphosa, have spent the last few days in the United States seeking a reset in relations between the two countries and to resolve serious tariff concerns.

The meeting in the oval office was a significant moment for many reasons. For me, it highlighted two important topics: a moment of potential renewal and opportunity in global trade, as well as the need for solutions to South Africa's serious rural crime problem. On the trade front, the CGA remains hopeful that the teams on both sides can find each other. A trade deal that benefits both SA agriculture and the US market is completely feasible. The negotiations with the US administration can put South Africa on a firmer footing concerning the establishment of a free trade agreement. The tariff turmoil, while unsettling, should not be viewed solely as a threat. Instead, it presents a potent, perhaps overdue, catalyst for governments worldwide to re-evaluate their trade strategies - specifically with a renewed focus on quicker turnaround times in establishing trade deals, and also a renewed focus on the value of diversified markets. Diversification can minimise risk. SA should, with speed and earnestness, address both tariff and non-tariff barriers to attain wider market access with partners in BRICS and beyond, all to ensure a more balanced portfolio on trade. China and India have indicated willingness to engage with SA. With a projected increase in production, SA needs to retain and grow every market, and add some new ones. All markets require attention - whether the current 4% to 6% we export to the US or the current 36% we export to the European Union.

SA is in a World Trade Organisation dispute settlement process with the EU regarding their unscientific measures for FCM and CBS. The EU is the top destination for South African citrus, which makes that market particularly important to retain, hence the spend annually by growers to the tune of R3,7 billion to ensure compliance with these unnecessary requirements. The onerous EU requirements are a severe non-tariff barrier that must be addressed. On a long-term basis, it will erode profitability in this market. Growers seek market access to ensure that the industry flourishes and meets its growth targets captured in Vision 260. This would substantially counter joblessness in many rural communities.

These communities also struggle because of unacceptably high levels of crime. Crime affects communities indiscriminately. Without safety and security, our farmers and farm workers cannot fully contribute to economic growth and job creation. Rural crime was again highlighted in the meeting in the Oval Office. Hopefully it will become a galvanising moment that will lead to improved safety in rural communities.

TRANSNET WAGE NEGOTIATIONS UPDATE (by Mitchell Brooke)

During FY2022/23, Transnet signed a 3-year wage agreement with bargaining unit employees affiliated to trade unions SATAWU and UNTU ending 31 March 2025. It was finalised after roughly three weeks of strike action by employees. At present, wage negotiations are in process for FY2025/26 and beyond. To this end, SATAWU signed a wage agreement on behalf of affiliated bargaining unit employees on 27 March 2025. UNTU have not yet signed a wage agreement with Transnet. A reconciliation process was then registered by the CCMA. The latest round of mediation by the CCMA was convened independently with Transnet and UNTU on 20 May 2025. The CCMA will reconvene further discussions with both parties on 10 June 2025. Communication will follow immediately after the release of the outcome of this mediation.

PACKED AND SHIPPED

End of Week 20 Million 15 kg Cartons	**Packed**	**Packed**	**Packed**	**Shipped**	**Shipped**	**Original Estimate**	**Latest Prediction**	**Final Packed**	**Vision 260**
SOURCE: PPECB/AGRIHUB	2023	2024	2025	2024	2025	2025	2025	2024	2025
Grapefruit	7.3 m	7.6 m	7.7 m	5.0 m	6.3 m	15.3 m	15.1 m	14.4 m	16.8 m
Lemons	15.0 m	13.8 m	14.4 m	9.5 m	12.8 m	32.9 m	33.2 m	34.7 m	41.5 m
Mandarins	7.2 m	8.0 m	7.0 m	4.8 m	5.1 m	44.9 m	44.9 m	41.6 m	43.9 m
Navels	2.2 m	2.4 m	1.5 m	0.5 m	0.7 m	26.1 m	26.1 m	25.1 m	21.7 m
Valencia	-	-	-	-	-	52.0 m	52.0 m	48.8 m	58.0 m
Total	31.7 m	31.8 m	30.6 m	19.8 m	24.9 m	171.1m	171.3 m	164.6 m	181.9 m