



JUNE 2023

newsletter

ED'S NOTE

IN THIS ISSUE

Editor's Note

A message from the CEO

Vision 50

Black citrus growers in urgent need of state support

Two significant CGA-GDC partnerships in transformation

Meet some of the CGA-GDC team

Black farmer showcase visit in the North West province

Citrus Academy bursary applications

Follow the CGA's Social Media Pages

It is June and we are in the midst of the citrus export season. It is staggering to think that every single day hundreds of thousands of cartons of citrus is arriving from inland farms at our ports in Durban, Port Elizabeth and Cape Town.

The hard work and dedication of so many citrus growers across the country are paying off, as they proudly watch their produce being sent off to overseas markets - markets that value our citrus as being of the highest quality.

Yet, this winter there has been a number of things to be gloomy about. Floods in the Western Cape have affected citrus growers negatively.

Loadshedding continues to be a problem for the whole of South Africa. Recent research regarding what is being called the "logistics crisis" has estimated that dysfunctional ports, roads and rail network is costing the economy R1 billion a day.

Regardless of all these challenges, we forge ahead. In this regard, the CGA-GDC is committed to playing its part in growing the citrus industry, in a manner that transforms it and empowers black growers.

Our 2032 goal of achieving 50 million cartons of citrus produced by black growers every year is still attainable if all role-players in agriculture come together and prioritise sensible responses to the various obstacles we face.

This goal, called "Vision 50", is also one of the subjects discussed in this month's newsletter. It is also a topic I touch on, in a wider context, in an opinion piece I recently wrote for the Business Day

titled "Black citrus growers in urgent need of state support", also included here.

The forms of support black growers need are not hand-outs - they are investments. Not just investments in people, but solid financial investments that make business sense. They will show returns and in that way contribute to the South African economy, which is in dire need of jobs and revenue.

This newsletter shows how these investments are successful. Read about a recent transformation showcase visit to a citrus farm in the North West province, two remarkable empowerment partnerships that the CGA-GDC is involved in, and the bursaries the Citrus Academy uses to bring a whole new generation of talented young people into the industry.

We are proud of the work the CGA-GDC does, and we are also proud of our team members themselves. For this reason we decided to start introducing you to specific team members in this month's newsletter.

The entire CGA-GDC team hopes the export season will be a success and we will be following export developments closely, as well as developments in the many other parts of the industry we are involved in.

Lukhanyo Nkombisa

General Manager of the CGA Grower Development Company

MESSAGE FROM THE

CGA CEO



With the 2023 citrus season well underway, we have seen positive growth across the season varietal frontrunners, namely mandarin and lemons when compared to last year. By mid-June, 12.7 million (15kg) cartons of mandarins were packed for export versus 9.9 million in 2022, while 19.4 million cartons of lemons were packed, compared to 16.7 million the previous year.

This is a promising start, however, we recognise that the next few months will bring a number of challenges, in particular, the full impact of the new European Union (EU) False Coddling Moth (FCM) regulations will be felt by growers when orange exports kick off in earnest at the end of July. With growers predicted to lose R500 million this season alone, as a result of the regulations, the CGA has continued to lobby the national government to intervene in order to find a resolution that will safeguard the industry.

This has included writing to Minister Didiza ahead of an African Union (AU) - European Union (EU) Agriculture Ministerial Conference taking place in Rome at the end of June requesting that she raise these regulations, as well as the discriminatory CBS protocols also enforced by the EU, which collectively are costing the local industry around R3.7 billion annually. The CGA will continue pushing for these unwarranted regulations to be done away with, including calling for national government to request a World Trade Organisation (WTO) Panel to be established to adjudicate on the matter. We will keep growers informed of any progress on these critical matters.

The proper functioning of the ports, with shipments of fruit expected to increase exponentially over the

next few months, also remains a top priority. The CGA has kicked off Biweekly Logistics Update Meetings with Transnet as well as other key stakeholders across the value chain in order to identify any issues at the ports, so these can be addressed immediately. We also keenly await the announcement by government of the successful bidders with regard to the private sector participation in Durban and Gqeberha ports, which is still expected this month.

Finally, June also saw an unforeseen challenge hit growers in the Western Cape, when torrential rains caused severe flooding in parts of the province, including Citrusdal with a number of citrus growers affected. Early estimates reveal that around 10 to 15% of the crop in the area has been lost, with early navels and clementines particularly impacted. A number of roads, including those leading to Cape Town port, have been seriously damaged, farm infrastructure ruined and whole orchards lost as a result of rivers flooding. Rebuilding this infrastructure will come at a significant cost. Despite these losses, citrus growers in the area have shown remarkable resilience and tenacity in order to ensure all remaining fruit is harvested and trucked to Cape Town over the coming weeks. The CGA will continue engaging with government and other value chain stakeholders so that affected growers receive the necessary assistance over this period.

Following a challenging two years, we recognise that the 2023 citrus season will be a watershed one for many growers. The CGA will continue using the platforms available to it to raise matters of critical importance to ensure the profitability and sustainability of the industry over the short, medium and long-term.



VISION50

At the CGA Citrus Summit held in March, CEO Justin Chadwick presented the industry's ambitious growth plans for the next ten years. Current estimates predict that the industry could potentially export 260 million (15kg) cartons a year by 2032, generating an R20 billion in annual revenue and sustain a further 100 000 jobs over and above the current 130 000 jobs supported and R40 billion attracted annually.

With transformation of the industry still remaining a key priority over the next ten years, a target for black citrus growers' contribution towards the overall 260 million vision has also been set:

50 MILLION CARTONS BY 2032

To achieve this, black producers need to have planted 25 000 hectares of bearing trees by 2032. Currently, there are 124 black citrus producers

across the country farming 7869 hectares of citrus, with 6450 of these orchards currently bearing fruit. This means the current shortfall to achieve the **ten year target is 17200 hectares.**

The CGA-GDC has developed a roadmap focused on supporting Vision 50, that has identified various interventions to support black growers to achieve this target.

The main focus areas are:

- Rolling out the citrus production scheme through the Agricultural Masterplan
- Leveraging additional funding from government and other role players to support the planting of new orchards
- Additional hectares being planted under joint ventures, empowerment schemes and other partnerships.

BLACK CITRUS

GROWERS IN URGENT NEED OF STATE SUPPORT



The Vhembe Citrus Study group at the Mkhario Farm in Malamulele which is in the Collins Chabane Municipality. Farmers deserve to receive non-financial and financial support to grow their businesses.

By Lukhanyo Nkombisa

The local citrus industry has achieved remarkable growth over the past few years, with 164.8-million cartons of fruit packed for export across the globe in 2022. By 2032, the sector aims to export an additional 260-million cartons a year, contributing 240,000 jobs and R50bn in revenue annually to the SA economy.

Underpinning this vision is the real and sustainable transformation of the industry and the growth of black-owned citrus farms in the country. That is why as part of this longer-term goal, another target has been set, which is 50-million cartons of citrus being exported by black citrus growers by 2032.

There are 124 black-owned citrus operations farming 7,869ha of citrus across the country. Encouragingly, their yields have grown exponentially over the past three years, from just over 2.4-million

cartons in 2020 to just over 15-million cartons in 2022. However, it is clear that there is a lot of work to be done to achieve the 50-million carton target by 2032, with partnerships and close co-ordination between government and other role players key to this success.

This target has been set at a time when many black citrus businesses are in severe distress due to challenges that have hit the industry and which have affected black growers more acutely, while they continue struggling to overcome threats to their operations.

Sector-wide challenges include soaring input costs, transport and freight rates, labour unrest in some farming areas, power outages, and the new EU false codling moth regulations that will result in R500m in losses for growers this year alone. Threats specific to black growers include limited access to working capital from banks and government programmes; insufficient Enterprise Development Fund support; land tenure and water authorisation constraints; export agents pulling out from production credit; and a lack of market access due to compliance.

As a result, a large number of black growers face high levels of debt and uncertain futures.

It is clear that black growers need urgent support, which is why the CGA Grower Development Company (CGA-GDC) welcomed announcements by agriculture, rural development & land reform minister Thoko Didiza in her budget speech in parliament regarding support to small-scale farmers through various government programmes. These include R2.15bn being allocated through conditional grants to the comprehensive agricultural support programme and Ilima-Letsema programmes and R19m allocated to the micro agricultural financial institutions of SA loan programme.

However, while we are grateful for the state funding that has been provided to farmers from the national department, in the Eastern Cape and Western Cape over the past few months the reality is that black citrus growers find it extremely difficult to access financial support through government

BLACK CITRUS

GROWERS IN URGENT NEED OF STATE SUPPORT

programmes due to onerous application processes and delays often seen at a provincial level.

At an industry level, the CGA-GDC continues to provide assistance to black growers through a number of programmes, including: facilitating access to finance, including over R150m raised through citrus grower levies being allocated to support black grower farming operations from 2021 to 2025; the provision of extension and technical support; and business and market accreditation support.

But we recognise that this alone will not save the many black-owned citrus operations that are on the brink of collapse. It is therefore critical that government and the CGA-GDC come together to develop a comprehensive programme that provides an urgent lifeline to these growers by delivering services on a cost-sharing basis that include: orchard expansion; mechanisation; the supply of fertilisers and plant protection material; the supply of packaging and marketing material; energy and diesel; and support to gain accreditation for key

market access.

To this end, we are excited about the citrus production scheme that the CGA-GDC is developing in partnership with the National Agricultural Marketing Council and the department. This process forms part of the rollout of the agriculture and agro-processing master plan, which includes the commitment of establishing production schemes that will increase the industry share of black farmers from 9% to 19% by 2032 and in this way, these farmers will create 4,881 new jobs.

The CGA-GDC looks forward to continued constructive discussions with Didiza and her department on how we can work together to provide much-needed assistance to struggling black citrus growers during the current export season to ensure their short and long-term survival and the ongoing sustainable transformation of the local citrus industry.

(This opinion piece appeared in Business Day on 22 May 2023.)



A CGA meeting with emerging growers in Kat River to discuss integrated pest management. The support received from government should always be fit for purpose.



TWO SIGNIFICANT CGA-GDC PARTNERSHIPS IN TRANSFORMATION

1 CITRUS PRODUCTION SCHEME



agriculture, land reform
& rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA



NAMC

Promoting market access for South African agriculture

President Cyril Ramaphosa announced seven priority sectors for economic growth in his State of the Nation Address (SONA) in February 2020. Agriculture was one of these priority sectors. Each sector requires a "Master Plan" as model to ensure the sharing of resources between the government and the private sector.

The first draft of the of Agriculture and Agro-Processing Master Plan (AAMP) was completed in June 2020. The plan promotes competitiveness, transformation, inclusive growth, employment, and food security.

By the end of last year, the Department of Agriculture Land Reform and Rural Development and the National Agricultural Marketing Council finalised the responsibilities for the implementation of the plan. The responsibilities set out the development of production schemes with industries and relevant stakeholders. One of the priority sectors in the AAMP is the citrus industry. A specific citrus production scheme is accordingly being established.

The citrus industry already creates substantial employment across the different activities in its value chain, including growing, packing, marketing and logistics. Estimated employment in citrus production has grown by more than 50% over the past decade. The entire industry employs 140 000 people.

The citrus production scheme aims to increase the share of produce by black citrus farmers to 19% in the next nine years and create more than 4 800

new jobs in the process.

On provincial level the Department of Agriculture will work with the CGA-GDC and traditional authorities to conduct farmer selection and profiling. These three role-players will also conduct a needs assessment based on farmer profiling.

Farmers' needs are to be assessed and addressed using these categories:

- Access to land and water
- Production (inputs, spraying programmes and orchard maintenance, etc.)
- Skills development
- Compliance & Certification
- Technical support

Stakeholders have been identified with very specific roles. The CGA-GDC will give technical support. The government will on national and provincial level supply funding and access to land. Financial and training institutions will also be identified to fulfill certain roles. The private and public partners will work together in identifying markets for the farmers. This will include domestic and international markets.

Government, working with CGA-GDC and traditional authorities, will be sourcing input materials to be used by farmers, including supply arrangements. This will be guided by the needs assessment.

The structure of the citrus production scheme presents a roadmap to a citrus industry that is truly representative of South Africa.

TWO SIGNIFICANT CGA-GDC PARTNERSHIPS IN TRANSFORMATION

2 FORT COX

The Fort Cox Agriculture and Forestry Training Institute was established in 1930 and is one of the noteworthy training institutions for agriculture in the country. It is set amid the beautiful surroundings of bush-clad hills and mountains in the Eastern Cape, near Middledrift.

It is also a place of historic significance. It is in these same environs that many of the famous warriors, like those from the Rharhabe Xhosa royal family, built their kraals.

Fort Cox is intending to establish a 30ha citrus orchard as part of their college grounds. The CGA-GDC will assist the college in establishing the orchards. A committee has been appointed to oversee the project and to make sure the orchards are planted successfully.

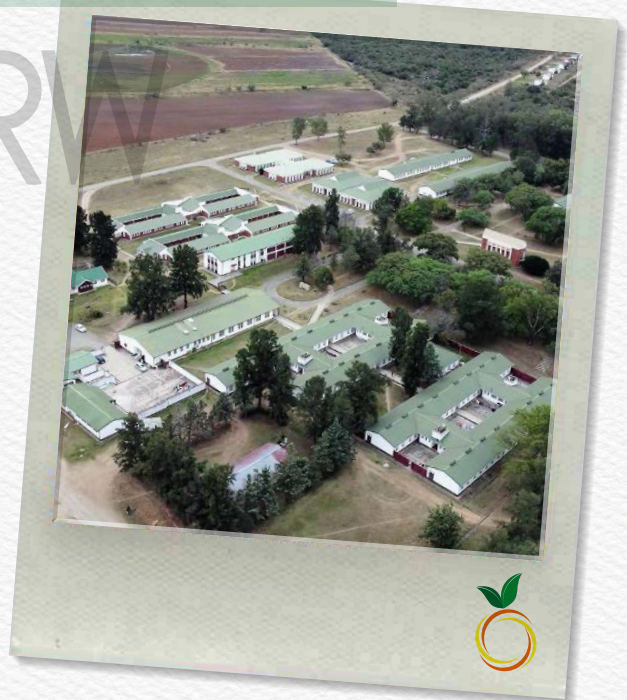
On the 21st of June 2023 the team responsible for the partnership met for a field visit. Dr Zamokwakwe

Ntshangase, the Head of Crop Production at the college, chaired a meeting during the visit.

The plan ahead for the project has been outlined in detail. Soil profiles will be dug and then analysed for the suitability of citrus varieties and for clay percentage. The CGA-GDC (along with the CGA's Cultivar Company) will assist the college in choosing the right rootstocks and cultivars for the specific area.

The memorandum of collaboration between Fort Cox and the CGA-GDC is in the process of being finalised.

For all the people involved in the project, it is truly exciting to welcome students into the world of citrus in this way. South Africans can be proud of their citrus, being the second biggest exporter of the fruit in the world.





MEET SOME

OF THE CGA-GDC TEAM

Yolanda Ntlakaza

Manager: Business Support

Yolanda holds a BSc in Agriculture from the University of Fort Hare. She has more than 15 years of development sector experience, having worked in the public sector and at the United Nations Food and Agriculture Organization, specifically in research focused on small-holder farming, skills development, poverty alleviation, nutrition, youth development and gender issues.

Her achievements in the public service include the mainstreaming of youth development across government and fostering partnerships with the private sector to increase development opportunities for young people, as well as participating in the Standard Generating Body on Agricultural Extension towards the development of new unit standards. In the UN's FAO she was involved in a project to build the capacity of small-holder farms with a focus on developing models for supporting the farmers.

She also played a significant role in the 14th World Forestry Congress, the first to be held in South Africa, facilitating the participation of youth and women. She has a strong interest in enterprise and capacity development, advocacy, as well as gender and poverty issues. She strongly advocates the participation of women and youth. Her current role in the company includes support services to growers, empowering them to manage their enterprises effectively and efficiently.



Andrew Mbedzi

Manager: Production and Technical Support

Andrew Mbedzi has a BSc in Agriculture, majoring in Plant Production and Plant Protection, from the University of Venda. He has been working in the field of agriculture for more than 29 years. He started in 1990 at the Venda Agricultural Corporation (Agriven). The company was later renamed the Agricultural and Rural Development Corporation (ARDC). Andrew has extensive experience in skills development and facilitating learnerships, as he is a qualified assessor, moderator and master mentor.

He was involved with the capacity building of farmers and farm workers in Limpopo using skills programmes, learnerships and the CGA mentorship programme. Andrew has also worked on the development of plant production unit standards and learning materials. He has an Association of Veterinary and Crop Associations of South Africa (AVCASA) Master Trainer Certificate and assists AVCASA in conducting training courses in the responsible use and storage of Agro-chemicals.

Presently Andrew manages the Production and Technical Support Unit. The unit assists growers with technical and marketing support through study groups and information days. Other activities include linking growers with research institutions and helping them with land assessments.



BLACK FARMER

SHOWCASE VISIT IN THE NORTH WEST PROVINCE

On the 28th of June the CGA-GDC was part of an exciting transformation showcase organised by Fruit SA. The event was held on the Batlhako Temo Farm near Brits in the North West province. Farmers Lerato and Isaac Moilwa welcomed various representatives from the Department of Agriculture, Land Reform and Rural Development to their citrus farm.

Currently the farm has 40 hectares of citrus. The varieties that are grown are Navels, Valencia's, Mandarins and Lemons.

Also present on the day were chairperson of Fruit SA, Vangile Titi-Msumza, and the CEO of Fruit SA, Fhumulani Ratshitanga.

The CGA is a member of Fruit SA, along with the Fresh Produce Exporters' Forum, Hortgro, The South African Table Grape Industry, The SA Subtropical Growers' Association and Berries SA.

At the event, the CGA-GDC's Yolanda Ntlakaza also gave an overview of the transformation initiatives the CGA-GDC is currently involved in. She also talked about collaboration with government and other stakeholders on a number of empowerment projects.

With farm visits like these, Fruit SA aims to showcase the industry's efforts towards transforming the fruit industry. It also functions as a meaningful way to obtain feedback on its initiatives to strengthen partnerships with government.

Lerato and Isaac Moilwa talked about their farm's history, the support it has received from government, the value of skills transfers to youth, and also the challenges the farm is facing.

The farm currently exports 43% of their fruit. It is a member of the CGA and due to its profile also a member of the Grower Development Company. The farm has also received financial support from the CGA-GDC's Enterprise Development Fund over a period of three years.

Lerato and Isaac took the visitors on a tour of the farm, showcasing the infrastructure, orchard development and packhouse operations.

They are just two of the many black citrus farmers in South Africa who realise the great potential the industry has. The CGA-GDC looks forward to championing many more farmers like them.



Taking a tour of the farm



Gathering to showcase transformation in citrus



Farmworkers and dignitaries



Proud of citrus

CITRUS

ACADEMY BURSARY APPLICATIONS

The Citrus Academy is a non-profit company that was established in 2005 by the Citrus Growers' Association of Southern Africa to enable human resource development within our local citrus industry. The Academy has since been tasked with increasing the level and quality skills among members of our sector.

The Citrus Academy has achieved this objective over the years through the bursaries it has made available to any person studying at a registered tertiary education institution in a field that is related to citrus production or research.

Students that are currently studying agricultural related subjects are encouraged to apply for these bursaries via www.citrusacademy.org.za before the application deadline on 15 September 2023.

The bursaries provide funding that can cover tuition, accommodation, meals, books and stationery, research costs (for postgraduate students only), and other expenses related to a students' studies.

Every bursary recipient will on completion of their studies be required to take up employment within the citrus industry for a period of time equal to their bursary award.

The CGA-GDC would like to motivate all students in our industry to make use of this opportunity and support in order to further their studies towards ensuring the continued growth and development of skills among all members within our sector.



**Applications are open from
1 June - 15 September!**

Apply online www.citrusacademy.org.za

*** We are looking for students who are studying agricultural related subjects :**

- Agricultural Economics
- Agricultural Management
- Plant Production
- Plant Pathology
- Entomology
- Horticulture
- Soil Science
- Industrial Engineering
- Mechanical Engineering
- Agricultural Engineering

FOLLOW

THE CITRUS GROWERS' ASSOCIATION OF SOUTHERN AFRICA ON SOCIAL MEDIA

We encourage you to follow the accounts on Facebook, Twitter, Instagram and LinkedIn in order to stay updated on industry developments and news including activities of the CGA-GDC.

Follow us on social media



Citrus Growers Association of Southern Africa



@CitrusGrowersSA



@CitrusGrowersSA



@citrusgrowerssa

156 42 21