GLOBAL CITRUS SCAN (37/2011)

John Edmonds (7 October 2011) Citrus Growers Association (CGA)

Current Exchange Rate	R/$ 7.97	R/€ 10.65	R/£ 12.30
Last Week:	R/$ 7.90	R/€ 10.78	R/£ 12.34
Last Year:	R/$ 6.86	R/€ 9.52	R/£ 10.91

[www.oanda.com/currency/converter]

Swazi Can Citrus closing shop month end

The already high unemployment rates in the country are set to increase yet again as over 110 employees of Swazi Can Citrus will lose their jobs at the end of the month. The company will cease operations month end due to unstated reasons. However, Swaziland Agriculture Plantations and Allied Workers Union (SAPAWU) Secretary General Archie Sayed said the current economic crisis has had an immense impact towards accelerating the company's closure. Swazi Can Citrus - based in Tshaneni - supplies Swaziland Canners in Malkerns and exports citrus fruits to European countries, among others. The company employs about 10 seasonal workers and over 100 permanent employees. The commissioner of labour has also been informed about the intended closure of the company while the union was informed about the decision through a meeting held last Wednesday. "We have not been informed about the genuine reasons that led to the decision but we believe it may be political because the international community no longer considers Swaziland suitable for investment in light of the current economic problems," said Sayed. Notable was the fact that it was recently revealed in parliament that potential investors and major international donors were soon becoming reluctant to invest in the country, hence providing the reason to address the fiscal crisis… The company has been operating in the country for 20 years under CDC. A couple of years ago, it was purchased by a South African company, Rhodes Food Group, which also runs Swazi Canners in Malkerns. The Swaziland Agriculture Plantations and Allied Workers Union (SAPAWU) has vowed to avert the imminent closure of Swazi Can Citrus. SAPAWU Secretary General Archie Sayed said they would seek the intervention of parliament and public companies with the hope to possibly avert closure of the company. "The closure will worsen the current economic crisis and increase the already high number of unemployed people in the country. We will do everything we can so that the company continues to operate," said Sayed.
[observer.org.sz; 5 October 2011]

AU: Citrus export bonus because of falling dollar

Despite a lacklustre year for the citrus industry, exporters have ended the season relatively well. Australian exporters began the season while the Australian dollar was buying around US$1.06, resulting in cheaper freight.
As the exchange rate has fallen below parity with the US dollar, exports waiting to be paid for their goods will receive an unexpected 10 per cent bonus. Peter Walker, from Riversun Export, says the majority of exports will be paid at the current exchange rate. "Only five vessels have been finalised for payment, and we exported 17. There are 11 vessels yet to be finalised with final payments to the exporters and growers."
[abc.net.au; 5 October 2011]

Fruit South Africa launches Ethical Trade Programme

Yesterday, producers, exporters, trade bodies, government, labour representatives and local and international retailers came together in Johannesburg to launch the Fruit South Africa Ethical Trade programme. "This is about role-players in the South African fruit industry proactively developing and implementing policies and practices that will assist in the continuous improvement in the well being of labour on South African fruit farms" said Derek Donkin, Chairman of Fruit South Africa. "We are really excited to be launching this programme, which is based on South Africa's progressive labour legislation and uses international best practices in audit methodology and independent third-party auditors. This programme has a strong development emphasis, for example the creation of training material and toolkits to increase awareness and improvement in labour practices." Endorsement of industry initiatives from retailers does not come easily, but local and international retailers were very positive about the roll out of the programme. Delegates from Government also expressed their support. Retailers gave the standard (code) three ticks for 1) being relevant in the South African context, 2) helpful in making the law more accessible and understandable to growers and workers, and 3) meeting high international labour standards. The Fruit SA Ethical Trade Programme is currently being benchmarked against the Global Social Compliance Programme. From the outset, the development of the Fruit South Africa's Ethical Trading Programme has been transparent and inclusive within the Fruit Industry. Although these are early days, the programme could become all inclusive making the standards and tools available for adoption by other agricultural sectors. Fruit SA recognizes the challenges in keeping role-players on board and is committed to the programme in the interests of promoting sound labour practices to the benefit of all.
Fruit South Africa represents growers and exporters exporting fruit from southern Africa, valued at R20 billion annually and employing over 200 000 workers.
[Freshplaza.com; 5 October 2011]

If you need more information on any of these issues, or if there is anything else that CGA can assist with, please contact us at 031 7652514, or johne@cga.co.za
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