

FROM THE DESK OF THE CEO (19/10)

Justin Chadwick (14 May 2010)

QUOTE OF THE WEEK "Do not wait to strike till the iron is hot; but make it hot by striking." **William Butler Yeats**

TRANSNET STRIKE

On a Tuesday evening John Edmonds and I usually have a paddle in the Durban harbour which is normally accompanied by a lot of noise and activity from the container depot and other quayside facilities – not to mention the danger of being run over by a tug on its way to fetch a ship (tug drivers seem to have a dislike for surfski paddlers). This Tuesday things were different – the harbour was deathly silent and no boat movement in the harbour as the Transnet strike entered its second day. Latest news seems to indicate that the strike will not end soon – with some predicting a possible two weeks before settlement, others say it will be over by the weekend. This is poor timing as the citrus industry gets its export programme started and exporters want to take advantage of the window of opportunity between the northern and southern hemisphere seasons. It seems that there is sufficient cold store capacity to last until the weekend, but if the strike goes into next week then the port will become congested and fruit will start backing up. Maputo does give an alternative and already one ship has called for the North West Continent. Hopefully the parties will find each other and activities return to normal without too much delay.

CITRUS MARKETING FORUM (CMF)

The next CMF will be held on **THURSDAY 27 MAY 2010 at 10h00**. The meeting will be held at the normal venue (Willow Park Conference Centre) – shuttle buses are available from OR Tambo Airport (by arrangement). **The notice and agenda for the meeting has been distributed**. CMF meetings are open to all CMF members – all members of FPEF and CGA are members of the CMF as they pay their dues through levies to these organizations. PPECB and DAFF are also members as they provide input to the meetings. All other southern African stakeholders are encouraged to join by paying the R3 000 membership fee. This goes towards the information provision and meeting costs. All members then have access to the CMF website giving them the latest shipped and packed statistics, and other important information relating to citrus exports.

GLOBAL CITRUS CONFERENCE

This week **Jose Antonio Garcia** is highlighted as a speaker at the GCC (8 and 9 July in Cape Town, more detail on www.gcc.co.za). Jose is in charge of Ailimpo – the organization representing Spanish lemon and grapefruit interests. Jose has been very instrumental in developing the global citrus network. The members of this network meet under the umbrella of SHAFTE and FRESHFEL and exchange important global citrus data and information. This information is then made available to all global citrus role players through media releases. This concept of "coopetition" – i.e. being in competition and cooperating at the same time, will be the subject of Jose's presentation.

UNITED ARAB EMIRATES (UAE)

It has been established that the pests of concern for the UAE are not associated with citrus in southern Africa, and as a result there does not need to be a specific declaration on phytosanitary certificates for that market.

PACKED AND SHIPPED

One definition of the word volatile is "Unstable, or varying frequently between extreme highs and lows". And this is how many of the exporters are viewing the citrus markets at the moment. Let's hope we see more extreme highs than lows. One must be careful of just looking at percentages – although the exports of **grapefruit** to Russia shows an increase from 17% to 42%; the absolute number of cartons is very similar (year to date 150 000 cartons last year, 130 000 this year). The rain has meant that packed and shipped figures are lagging on last year. Of the 2.2m cartons grapefruit packed to date 1.8m has been Star Ruby. At the last Grapefruit Focus Group meeting they adjusted their prediction down by 100 000 cartons (as did the Navel Focus Group and Soft Citrus Focus Group). **Lemon** exports to Middle East (44% 2010; 47% 2009) and Russia (2010 18%; 2009 14%) are tracking last year; while exports to Far East (2009 18%; 2010 8%) have dropped. **Satsuma's** packed have reached 1.827m cartons touching on the original 1.88m estimate. Soft Citrus exports to UK have dropped from 66% year to date last year to 47% this year. Russia has increased from 6% to 17%.

To Week 18 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2008	2009	2010	2009	2010	2010	2010	2009	2009
Grapefruit	-	2.8m	2.2m	0.9m	0.3m	12.6m	12.5m	14.2m	13.7m
Soft Citrus	-	1.8m	2.4m	1.3m	1.6m	7.4m	7.4m	6.8m	6m
Lemons	0.01m	1.8m	2.5m	1.1m	1.1m	9m	9m	8.7m	7.7m
Navels	0.02m	0.5m	1m	0.09m	0.1m	21.5m	21.4m	19.4m	19.1m
Valencia	0.01m	0.02m	0.01m	0.01m	0.01m	41.3m	41.3m	38.5m	35.3m
	0.04m	6.92m	8.11m	3.4m	3.11m	91.8m	91.6m	87.6m	81.8m

**GROWERS' FUND THEIR FUTURE THROUGH THE ACTIVITIES OF THE CITRUS
GROWERS' ASSOCIATION, CITRUS ACADEMY AND CITRUS RESEARCH INTERNATIONAL**