Citrus Growers' Association
OF SOUTHERN AFRICA
Grower levies working for you!

FROM THE DESK OF THE CEO (18/12)

Justin Chadwick (11 May 2012)

QUOTE OF THE WEEK "A leader is a dealer in hope" Napoleon Bonaparte

SUPPORT YOUR LEADERSHIP

Harry Truman advised that genuine leadership required the courage and skills "to seize the opportunity to change things for the better". Civil rights activist Reverend Jesse James said "leadership isn't just about choosing sides. Nor is leadership a matter of making noise. It must bring sides together". Citrus growers in southern Africa have chosen twenty of their peers to lead them in guiding the activities of their Association – the Citrus Growers' Association of Southern Africa (the CGA). These chosen Board members give of their time and knowledge for no reward other than the satisfaction of being part of building a leading global citrus industry. These Board members have developed a vision to "support citrus growers to be globally competitive" – this vision has been widely communicated with the grower community and well supported. Strategic objectives and annual work plans have been developed from this vision – which has assisted in keeping the industry competitive in an environment that gets tougher every year. Over the years growers have been encouraged to actively participate in the setting and executing of the activities of the CGA – through grower road shows, variety focus groups, Citrus Marketing Forum meetings etc.

Your leaders have been committed and passionate in developing plans for the CGA for the next four years – they have discussed these within their constituencies, deliberated on the best way to take these plans forward at Board meetings, and now asked you to endorse these plans by way of a referendum. To date referendum returns totalling 30 million cartons have been received, representing about 30% of the industry. Before taking the plan forward the CGA would like at least 60% of growers to have cast their vote. As a result the cut off date for referendum returns has been extended to **18 May 2012**. Please support your leadership by taking the small amount of time necessary to complete the referendum form and fax back to 031 7658029.

COST OF CITRUS GREENING IN FLORIDA

On 3 May 2012 the Southeast Farm Press reported as follows "*Since 2006 the bacterial disease citrus greening has cost Florida's economy an estimated $3.63 billion in lost revenues and 6,611 jobs by reducing orange juice production, according to a study from the University of Florida's Institute of Food and Agricultural Sciences. The study is the first complete assessment of greening's economic impact on Florida.*"

That's in excess of R27 billion in just 6 years – about R4.5 billion per year. The total return to citrus growers in southern Africa from citrus exports is about that level; so the US has been forking out the same amount as the southern African citrus industry makes per annum from exports to control one disease. Puts in perspective the work done by CGA and CRI with just with 0.0005% of that amount!

SEND RUSSIAN FRUIT TO THE RIGHT TERMINAL

Russian exports by specialized reefer vessels are being loaded from both FPT and MFT in Durban. If consignments are trucked to the wrong terminal (i.e. fruit that is going to be loaded at MFT being sent to FPT, and then having to be re-transported to MFT and vice versa), or go via other cold stores they attract additional costs of R250/pallet (i.e R3.57 per carton). Seatrade have confirmed that they are only loading at FPT. Baltic Shipping have confirmed that at least two weeks advanced notice will be given of where a ship is to be loaded (FPT or MFT) so that the fruit can be positioned correctly. To put this into perspective – the CGA levy is 41 cents a carton; sending your fruit via a cold store or via the wrong terminal costs an additional R3.57 per carton!!! The PPECB pre-cooling requirement to Russia has been suspended and therefore 52% of break-bulk volume and containers can henceforth be loaded under PPECB dispensation.

PACKED AND SHIPPED

The Grapefruit Focus Group met this past week and reduced their predicted export figure. This may be a little premature as older trees have been harvested to date, which have tended to have smaller fruit. Some GFG members made the point that there are a lot of younger trees coming into production, which will yield bigger fruit and will be harvested later in the season. The situation would be clearer at the next GFG meeting in two weeks time – and the downward prediction could see some reversal. Others point out that the initial estimate was not that much lower than 2011 – which would have put supply pressure on the markets. The latest prediction puts the grapefruit market more in balance.

To Week 19 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2010	2011	2012	2011	2012	2012	2012	2011	2011
Grapefruit	3.6 m	4.5 m	2.8 m	2.8 m	1.6m	15.2 m	13.9 m	16.2 m	15.3 m
Soft Citrus	2.9 m	2.4 m	2.2 m	1.9 m	1.4m	7.6 m	7.6 m	6.9 m	6.7 m
Lemons	3.3 m	2.5 m	1.9 m	1.9 m	1.1m	11.1 m	10.6 m	10.8 m	10.2 m
Navels	2.2 m	1.4 m	0.5 m	0.5 m	0.1m	22.9 m	22.9 m	21.2 m	
Valencia	-	-	-			46.1 m	46.1 m	44.2 m	61.7 m*
	12 m	10.8 m	7.4 m	7.1 m	4.2m	102.9 m	101.1 m	99.3 m	93.9 m

'* All oranges

GROWER FUNDED ACTIVITIES OF THE CGA, CRI AND CITRUS ACADEMY
ENSURE A GLOBALLY COMPETITIVE SOUTHERN AFRICAN CITRUS INDUSTRY