



justchad_cga

FROM THE DESK OF THE CEO (36/15)

Justin Chadwick 18 September 2015

QUOTE OF THE WEEK "A fanatic is one who can't change his mind and won't change the subject" Winston Churchill

CITRUS BLACK SPOT – PROACTIVE MARKET CLOSURE

On Monday 14th September 2015 the South African citrus industry, at a special meeting of the Citrus Growers Association's CBS Committee, after consulting widely with all stakeholders, decided to recommend to DAFF to proactively suspend the export of citrus fruit (with the exception of soft citrus and Kumquats, as well as exports from the CBS Free regions of the Western & Northern Capes) to the European Union (EU). The CGA has recommended that DAFF stop inspecting citrus fruit destined for the EU at end of business on Thursday 17th September 2015. As an additional measure of risk mitigation, CGA has presented a program of pre-import DAFF inspections in the EU through one port [Rotterdam] to address any possible perceived risk associated with the 'floating consignments' that will leave SA after inspection stop on 17th September and EU market closure. The South African citrus industry hopes that this decision keenly demonstrates our commitment to meeting the EU's requirements and keeping the market open.

RAINFALL IN SOUTH AFRICAN CITRUS GROWING REGIONS

With welcome rain falling in KZN as this is written one hopes that it will reach the northern regions where early spring rains have not materialised. In the winter rainfall region of the **Western Cape** Piet Smit reports as follows "We had up till now about 50% of average rainfall (about 240 mm of average 450 mm). Our raining season is over, all private storage dams are low, because of less rain and snow-fall on mountains. If there is no additional rain during summer there will be a problem with the water. Setting of crop will be fine, we have enough for that, but irrigation till harvest will be a problem if it does not rain." Staying in the Western Cape in the Boland George Hall reports "the drought has not affected us up to now". Jannie Spangenberg says "Situation in **Northern Cape** is very dry. We only had minimum rain and way below normal rainfall. However water levels in the dams are good due to rain in the catchment areas. Forecasts predict a very dry season due to El Nino therefor little rain in our summer rainfall areas." The **Eastern Cape** which receives both winter and summer rainfall is faring much better – according to Phillip Dempsey "Dam on 102% and the Gamtoos still in flood. No drought in our area." Pieter Nortje confirmed the good rains "In the Sundays River Valley we have already received our annual rainfall and the changing rain pattern of 2015 have resulted in our highest rainfall in decades. That too has a huge financial impact; we lost 28 harvesting days, had to incur higher wages to pick on weekends and fruit condition and shelf life is severely impacted. On the positive side it resulted in the best spring climate and flowering conditions in many a year, which promises a fantastic fruit set for 2016." Jock Danckwerts confirms the position for Kat River area "Looking good here in Settler country. Dams in Keiskamma, Tyumie, Kat and Koonap catchments all full and rivers flowing. I understand that the Gariep, which supplies Fish River valley is about 2/3 full." The **KZN** area confirms that it is very dry, and in need of good summer rains (Mike Woodburn). In **Swaziland** George Brown reports "The drought has been more severe in south of Swaziland with areas only having had 50% of annual rainfall. Drought has contributed to quality issues such as small fruit size and creasing for the 2015 harvest. Any delay in first rains (Spring 2015) could have an impact on fruit set for the coming season." Moving to **Mpumalanga** Cornel van der Merwe comments that "We in Onderberg area are on 50% water allocation as the Crocodile river is at very low levels. The Crocodile river gets its water from Kwena Dam which is currently on 85% of capacity, 10% lower than same time last year. Onderberg is a mainly sugar irrigating area (80%) and dependant on the Crocodile river. With summer quickly approaching sugar irrigating needs will increase drastically in following days posing huge burden on water out of Crocodile river and Kwena dam. We foresee even stricter allocation in the coming weeks, which will make successful fruit set very difficult." Moving further north Fanie Meyer at **Hoedspruit** comments that "Blyderivierpoort dam is of particular significance because the lower the dam goes the less pressure we have in the pipeline. We have been affected but at this stage it is still OK. We had about 30mm rain on 5th September that washed the dust off and greened up the bush a bit but without follow up rain we are in for a rough ride. Having said this we can only really expect rain from week 42." Ben Vorster is less optimistic "In our area we are really suffering, we are on 50% of our water allocation, most of the farm dams are between 40% and empty! We also make use of boreholes together with our allocations right now to set a new crop, but with Tzaneen dam at 58% on 14 September, things don't look good! We will set the new crop, but if we don't get good rain by November, we will not be able to keep on irrigating all our trees, so the current drought has a very big effect on **Letsitele** area". Further north Bertus Dilman reports "**Tshipise** area have enough water in the Njelele dam to set the 2016 crop but will have to get early seasonal rain to see the crop through to the end. Water quality and quantity in the **Weipe, Pontdrift** area is getting critical and we hope for early rains to get the Limpopo river flowing." In **Senwes** region (Marble Hall & Groblersdal) Charles Rossouw states that "Our main water source is Loskopdam (82.1% full) that gets its inflow out of Olifantsriver catchment area that is a big portion of the old Transvaal Highveld area. Our problem is that we will be fine for this season but seeing that all dams on farms upstream are low, it is going to take a lot of rainfall before Loskopdam will get any inflow. Fortunately rainfall season only starts now!"

PACKED AND SHIPPED

To end Week 37 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2013	2014	2015	2014	2015	2015	2015	2014
Grapefruit	17.8 m	15.5 m	16 m	14.6 m	15.8 m	15.3 m	16 m	15.6 m
Soft Citrus	8.3 m	9.8 m	9.8 m	9.4 m	9.8 m	10 m	9.9 m	10 m
Lemons	10.4 m	13 m	14.6 m	12.8 m	14.2 m	13.6 m	14.6 m	13.2 m
Navels	25.4 m	25.9 m	24.4 m	25.8 m	24.4 m	25.1 m	24.4 m	26 m
Valencia	43.1 m	42.9 m	44.1 m	34.5 m	36.5 m	49.1 m	50 m	50.9 m
Total	105 m	107.1 m	108.9 m	97.1 m	100.7 m	113.1 m	114.9 m	115.7 m

SOUTHERN AFRICAN CITRUS GROWERS HAVE INVESTED IN THEIR FUTURE THROUGH THE ESTABLISHMENT AND CONTINUED FUNDING OF CGA, XSIT, CRI, RIVER BIOSCIENCE, CGACC AND CITRUS ACADEMY