

FROM THE DESK OF THE CEO (25/20)

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Justin Chadwick 10 July 2020



"If you call a dog's tail a leg, how many legs does it have?" asked Abe Lincoln. When people answered five – he responded, 'Four, because calling a tail a leg doesn't make it one.'

FACING SOME HEADWINDS

At the start of the 2020 season we realised that there would be some difficulties in 2020; as we entered harvesting and COVID-19 became a reality more headwinds were experienced. The CGA COVID-19 Response Committee identified as a high risk the fact that workers would become ill, putting pressure on operational performance. This would be the case on farms, in packhouses, transport, cold stores and at the ports. These expected challenges have put incredible pressure on all in the supply chain. The past few weeks threw up some unexpected challenges; the diesel shortage caught us by surprise (and is hopefully in the process of being resolved). Then this week the wanton lawlessness of truck drivers as they resorted to criminal activities – and governments inability to secure the safety of those who want to get on with their jobs. The South African economy is on life support – these activities put it one more step towards the grave. It is time to take the strongest possible actions to stop this criminal behaviour. As a result of the strike many loads have not been able to be despatched to the port – this will cause congestion once the loads start to flow again. To make things worse the mother of all cold fronts is due to hit the Cape this weekend, and work its way up the coast; this will undoubtedly cause port delays and exacerbate the present port delays.

CGA MEETS WITH PROVINCIAL AGRICULTURAL DEPARTMENTS

On Wednesday this week, CGA Directors George Hall and Gerrit van der Merwe joined CGA staff members Justin Chadwick and Mitchell Brooke, and CGA GDC GM Lukhanyo Nkombisa in a videoconference call with Minister Ivan Meyer, Dr Sebopetsa Mogale (Head of Department), Jeremia Aries, Daniel Johnson and Marietjie van Jaarsveld of the Western Cape Department of Agriculture. The call homed in on the major opportunities and challenges facing the citrus industry in the province. High on the agenda was the ongoing problems at Cape Town port, which is not only on Minister Meyer's list of priorities, but also that of the economic cluster in the province. Discussions then turned to trade – and the growth opportunities in the soft citrus sector in the Western Cape. Minister Meyer outlined the governments plan to increase fruit exports from the province by 5% - the citrus sector can play a prominent role in meeting this target – one enabler that is essential is governments role in accessing new markets and optimizing present market access conditions. Transformation is high on both governments and industry's agenda – and there was meaningful discussion on how to ensure that growth in the province is inclusive. The agenda also included discussions on rural crime and security, humanitarian aid and industry and provincial government response to COVID-19.

On Thursday the same staff members were joined by CGA Directors Ben Vorster, Piet Engelbrecht, Jan Louis Pretorius, Bennet Malungane, Guy Whitaker and Tommie Landman when CGA held a videoconference call with HOD of Limpopo Department of Agriculture and Rural Development Jackie Maisela and members of her staff - TL Mathobo, CV Ndlozi, MW Moeng, JJ Mkhari and KA Tshikomolo. The Department shared with CGA their Revitalization of Agriculture and Agri Processing Value Chain plan – which is completely aligned with CGA's own vision for the citrus sector. The meeting provided an opportunity to delve into some of the factors inhibiting growth in the province – such as logistics, ports and market access; as well as to go deeper into the roles that we can play in driving inclusive growth in the province. There were a number of follow up actions that were identified – the start of a close relationship in the future.

PACKED AND SHIPPED

Million 15 Kg Cartons to end Week 27	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AgriHub	2018	2019	2020	2019	2020	2020	2020	2019
Grapefruit	16.7 m	14.7 m	13.3 m	12.1 m	11.6 m	16.7 m	14.7 m	16.1 m
Soft Citrus	9.7 m	10.4 m	13.3 m	7.8 m	11.1 m	23.3 m	22.8 m	18.3 m
Lemons	14 m	15 m	20.6 m	11.2 m	16.4 m	26.4 m	27.3 m	22.1 m
Navels	18.1 m	15.5 m	17.2 m	10.4 m	12.2 m	26.5 m	26.3 m	24.3 m
Valencia	6 m	6.7 m	9.4 m	3.3 m	4 m	50.4 m	49 m	46.8 m
Total	64.5 m	62.3 m	73.8 m	44.8 m	55.3 m	143.3 m	140.1 m	127.5 m

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