FROM THE DESK OF THE CEO (05/23)

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"In life, it is important to know when to stop arguing with people and simply let them be wrong" Anon <u>2022 SEASON REVIEW: RUSSIA</u>

The Russian invasion of Ukraine on 24 February 2022 sent shock waves worldwide – with a world still reeling from a global pandemic the invasion was condemned by most nations. The humanitarian impact of the invasion, loss of lives and destruction of property and livelihoods should not be happening in our so called "modern" world. From a southern African citrus perspective, we watched with concern as the invasion escalated – between 8 and 10% of southern African citrus was exported to Russia. However, CGA representative in Russia, Mikhail Fateev, predicted that the invasion would have little impact on southern African citrus exports to Russia – and, thankfully, the figures now prove him correct. Contrary to all expectations the volume of citrus exported to Russia in 2022 exceeded the previous three years' volumes.



The decrease in exports of valencia oranges and grapefruit was more than made up for by increases in mandarins, navel oranges and lemons.

Despite this increase, exporters to Russia will tell you that exporting to the country was very difficult. As the season started, shipping opportunities were limited as sanctions impacted on trade flows. The cost of shipping to Russia also increased considerably resulting in poor returns to the grower from that market. Most exports were shipped in specialized bulk reefer vessels – with a vessel loading out of Durban on a weekly basis, in most cases calling Port Elizabeth and Cape Town on its way out.

