

FROM THE DESK OF THE CEO (27/23)

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Justin Chadwick 7 July 2023



“History is not there for you to like or dislike, it is there for you to learn from it. And if it offends you, even better. Because then you are less likely to repeat it. It’s not yours to erase or destroy” Anon

CITRUS GROWERS’ ASSOCIATION (CGA) APPOINTS CHIEF OPERATING OFFICER (COO)

The Board of CGA has created the post of COO in order to strengthen the top management of the Association. This post will take on the operational aspects of CGA work, freeing the CEO to get involved in the more strategic priorities of the industry – especially as they relate to the CGA’s Vision 260.

The Board is pleased to announce that Paul Hardman has been promoted as the first COO of CGA. I am particularly pleased with this appointment as Paul has nearly twenty years of service with CGA and has a sound knowledge of the industry and the Association. Paul stepped into this new role from 1 July 2023. Paul and I will be contacting role-players to outline how the different aspects of CGA will be managed between the CEO and COO. An advert has been circulated as the start of the process to appoint a replacement for Industry Affairs Manager.

AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) IS ESSENTIAL

South African citrus is valued across the globe for its high quality. This is also the case in the United States. In fact, over the last few years we have been exporting more and more of our citrus to this market, with Americans eager to buy our oranges, mandarins and grapefruit. Exports to the US almost doubled from 60 000 tons in 2020 to 112 594 tons last year, bringing in R1.6 billion in export revenue and supporting thousands of jobs.

This impressive progress is in large part due to the African Growth and Opportunity Act (AGOA), which provides preferential market access to a wide range of African products, including South African citrus. The Act ensures our citrus isn’t subject to current US tariffs. So, local growers receive an enormous boost thanks to AGOA, giving them a competitive edge in the US market.

And we really do need this edge. South Africa has to compete with other Southern hemisphere countries, like Peru and Chile, for shelf space during the summer months in the US. These countries already have advantages of their own. Their citrus enters the US duty free and, thanks to shorter transit times to the US, they enjoy lower costs throughout the supply-chain.

It is also important to understand that AGOA is not a trade agreement. It is an Act, passed by the US Congress in 2000. This leaves South Africa more exposed, because traditional trade agreements can be negotiated in such a way that they are more difficult to dissolve, but that is not the case with AGOA.

If South Africa is removed from AGOA, citrus will suffer. Almost two billion rand in export revenue will be threatened and thousands of rural jobs would be impacted. Currently, because of phytosanitary restrictions, only citrus from the Western and Northern Cape is shipped to the US. The citrus industry in these two provinces sustain an estimated 35 000 jobs at farm level, with additional jobs right through the supply chain. An additional 20 000 jobs in the US are also linked to the exports.

PACKED AND SHIPPED

End of Week 26 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	2021	2022	2023	2022	2023	2023	2023	2022
Grapefruit	16.9 m	14.0 m	11.7 m	11.5 m	9.5 m	14.4 m	13.8 m	16.7 m
Mandarins	15.0 m	14.3 m	17.1 m	11.0 m	13.6 m	34.1 m	34.3 m	31.8 m
Lemons	20.6 m	22.1 m	25.9 m	18.9 m	21.7 m	37.3 m	35.7 m	34.7 m
Navels	16.4 m	14.5 m	13.3 m	9.4 m	9.1 m	25.3 m	24.8 m	27.8 m
Valencia	6.7 m	4.7 m	6.4 m	1.9 m	3.0 m	54.5 m	53.1 m	53.8 m
Total	75.6 m	69.6 m	74.4 m	52.7 m	56.9 m	165.6 m	161.7 m	164.8 m

THE CGA GROUP (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE SUPPORTED BY AND WORK FOR THE SOUTHERN AFRICAN CITRUS GROWERS’