

FROM THE DESK OF THE CEO (7/22)
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Justin Chadwick 18 February 2022



"Idleness is not doing nothing. Idleness is being free to do anything" Floyd Dell

GROWERS – IT IS TIME TO "KUIER"

On Monday 21 February CGA will kick off with the first Grower Roadshow in the **Boland** at 15h00 at Excelsior Manor. After COVID restricting our ability to meet with growers over the past two years – I am sure that (like us CGA staff) growers are keen to get out there and discuss industry matters and socialize with their colleagues in the region. There are some challenges to be faced and opportunities to grasp in 2022 – it will be good to discuss these with CGA members (and other stakeholders in the region are welcome to attend). The Roadshow will be followed by a braai which allows for more networking and discussion. Thanks to Nedbank for sponsoring the Eastern Cape braais.

On Tuesday 22 February the Western/Northern Cape team will move to **Citrusdal** for a meeting at 14h30 at Piekenierskloof. On the same day the Eastern Cape team will meet with **Patensie** growers at Suurvelder at 15h00.

The Eastern Cape team will then meet with **Sundays River** growers on Wednesday 23 February at Africanos at 15h00, before finishing off with **East Cape Midlands** growers at Katco Boardroom at 15h00 on Thursday 24 February.

Meanwhile the Western/Northern Cape team will take the long road to **Oranje Rivier** and meet with growers in that region at Lake Grappa at 15h00 on Thursday 24 February.

CGA is a grower driven organization, we depend on growers to set out their priorities and needs – these Roadshows are an important opportunity to meet with growers and ensure that the vision, mission and strategic objectives are aligned with grower needs.

Looking forward to getting to see our members over the next two weeks.

2022 SEASON – GRASP OPPORTUNITIES AND FACE CHALLENGES

This week, the industry celebrated an important milestone when Minister of Agriculture, Land Affairs and Rural Development Thoko Didiza joined the CGA to see off one of the first shipments of lemons to China under the revised lemon protocol – which took six years to finalise.

The resumption of lemon exports to China is a promising start to the 2022 citrus export season, which is expected to see another big volume of fruit being shipped to key markets across the globe. However, of major concern is the exponential increase in input costs over the past year, which will no doubt put a major squeeze on growers' returns, after a challenging 2021 export season.

These increases include fertilizer prices almost doubling, and agrochemical prices increasing on average by 50%. Rising fuel prices have also placed a major strain on growers with little relief on the way – news reports this week have predicted another fuel hike in March. Exacerbating this situation is the major increase in freight costs over the past year. On average, freight costs increased by approximately 30% to 40% in 2021, when compared to the previous year with some markets being significantly higher. However, these increases could climb to between 50% and 75% on average in 2022, with some markets already seeing a 150% increase in export costs.

If the 2022 minimum prices for fruit currently being negotiated do not cover these rising costs, the future profitability and sustainability of local growers will be threatened, and in turn, the 120 000 mostly rural jobs sustained by the industry.

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'