

New citrus export levy will see R1 billion invested

The Citrus Growers' Association of Southern Africa (CGA) welcomes the gazetting of the new statutory export citrus levy by the Minister of Agriculture, Land Reform and Rural Development, Thoko Didiza. The new levy will be funded by around 1 250 citrus growers over the next four years (from 2021 to 2024) and will ensure both the long-term competitiveness of the citrus industry as well as the sustainable growth of black citrus enterprises within the sector.

ACCORDING TO A statement by CGA, the new levy represents a 120% increase from the previous levy and will translate into an estimated R1 billion investment by local citrus growers into the sector over the next four years. The levy will continue to be administered by the CGA.

A key funding area is ensuring greater transformation within the industry. 20% of the new levy will be allocated to the development of black citrus growers and their meaningful and lasting participation in the sector.

This funding will be invested in the CGA's recently finalised four-year transformation plan (2021-2024), which will be implemented through the CGA Grower Development Company and the Citrus Academy.

With the citrus industry expected to increase its exports by over 500 000 tons over the next three to five years, investment in research and development is critical in order to ensure the sector remains competitive in overseas markets. For this reason, 60% of the new levy will be allocated to Citrus Research International (CRI) to provide research and technical services to growers. This is a pre-requisite for gaining,

retaining and optimising market access, which is a key priority for the industry over the short, medium and long-term.

One of the main blockages preventing increased market access is the stringent phytosanitary requirements effected by some countries. The new citrus levy will assist the CRI in enhancing the phytosanitary assistance it offers growers, including providing counterfoils for unjustified regulatory disruptions and changing regulations.

The remaining 20% of the new levy will be allocated to a number of other programmes, including working with government and other stakeholders to improve national transport infrastructure and logistics capacity, including the country's rail and port operations.

The industry is expecting another record breaking export season in 2020, despite the challenges faced by the Covid-19 pandemic and national lockdown. The CGA is confident that the new levy will enable the industry to grow its market share even further and as a result, create even more jobs and bring in increased revenue for the country's economy over the next four years. ☺

Drought and fire relief for farmers

Engen has stepped up to assist drought-stricken farming communities in Sutherland in the Eastern Cape as well as areas in the Free State that suffered damaging fire outbreaks in last year.

THEY HAVE JOINED hands with longstanding customers, NGOs, AfriForum and NPO Beginet to ensure that farming communities most severely impacted, receive much needed aid and essentials such as food, toiletries, medication and clothing. They also donated diesel to the value of R20 000 to assist with the transportation of these essentials.

Drikus Kotze, Engen General Manager, Commercial, said they are proud to play a part in an initiative that helps alleviate the adversity of thousands of farmers and farm workers given the company's close ties to the agricultural sector.

"Farmers in these areas were set to receive some relief aimed at ensuring that farms in the areas can remain in production," commented Kotze.

"As a supplier of fuels and lubricants to the agricultural sector we have witnessed first-hand the impact that the fires and the on-going drought have had on farmers, farm workers and farming communities, which is why we have partnered with THT to assist the sector," added Kotze. ☺



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