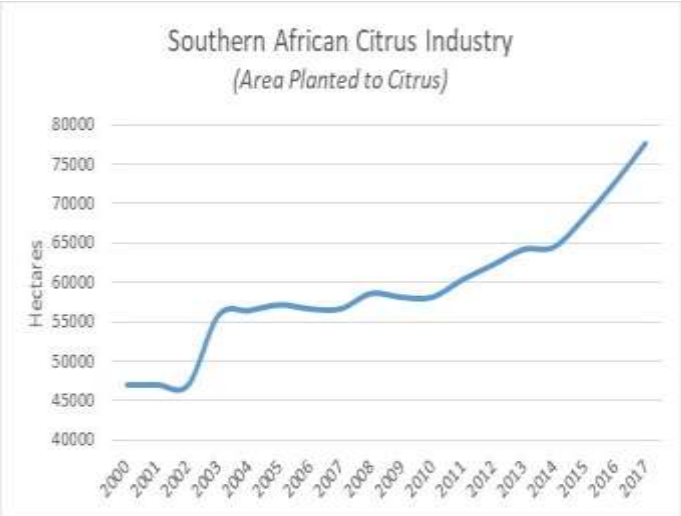
FROM THE DESK OF THE CEO (19/18)

(Follow me on Twitter justchad_cga)

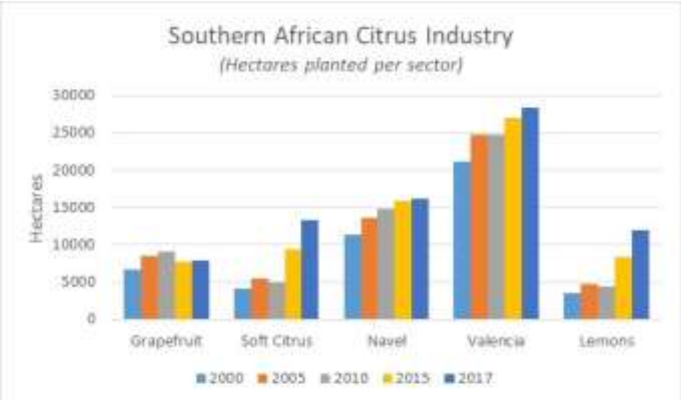
Justin Chadwick 11 May 2018

"Don't judge each day by the harvest you reap, but by the seeds that you plant" Robert Louis Stevenson

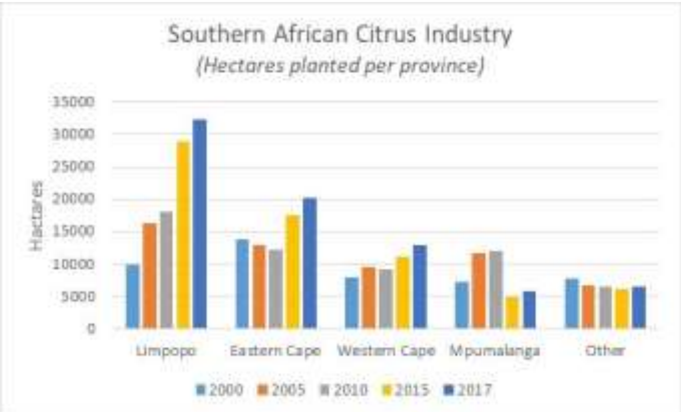
SOUTHERN AFRICAN TREE CENSUS



In 2010, CGA was invited to attend a high level Imbizo on jobs and job creation. At that time there were 58 101 hectares planted to citrus. At the Imbizo it was estimated that the citrus industry had the potential of adding 15 000 jobs to agriculture – using the norm of one full year job per Ha this would entail the addition of 15 000 hectares of citrus. As it happens the industry has surpassed that prediction – with 19 607 annual jobs added to the agricultural employment numbers. This equates to approximately 10 000 permanent jobs and 20 000 seasonal jobs (six months of the year). Since 2000 the industry has grown by 31 000 hectares – from 47 000 hectares to 78 000 hectares.



As John Edmonds (CGA Information Manager) finalizes the tree census for 2017, the huge growth in hectares under both lemons and soft citrus is very evident (with the expectation that new entrants to the industry may not have been captured, therefore leaving the figures understated). Both Valencia and navel areas have increased at slower rates over the same period, while grapefruit hectares has remained static.



Limpopo remains the province with the biggest area under citrus, although there has been considerable growth in both Eastern and Western Cape. Mpumalanga has experienced a reduction over the years – largely because of more attractive alternative crops. The other regions in southern Africa have remained static (in total), although there have been some marked changes in the mix – with KZN and Swaziland decreasing due to attraction of alternative crops, and Northern Cape increasing in area under citrus.

PACKED AND SHIPPED

At their last teleconferences, the Lemon Focus Group decreased their prediction by 300 000 cartons whilst the Grapefruit Focus Group lowered theirs by 310 000. Delayed colour development points to a slow start and resulting risks of a compressed packing season for grapefruit growers

To Week 17 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2016	2017	2018	2017	2018	2018	2018	2017
Grapefruit	2.5 m	4.0 m	3.2 m	1.8 m	1.1 m	16.8 m	16.5 m	15.7 m
Soft Citrus	2.9 m	2.3 m	2.6 m	1.8 m	1.9 m	14.7 m	16.2 m	13.4 m
Lemons	4.4 m	4.8 m	5.4 m	3.5 m	3.8 m	20.6 m	20.3 m	19 m
Navels	1.4 m	0.8 m	0.6 m	0.2 m	0.2 m	25.7 m	25.7 m	21.1 m
Valencia	-	-	-	-	-	53.9 m	53.9 m	53.8 m
Total	**11.2 m**	**11.9 m**	**11.8 m**	**7.3 m**	**7.0 m**	**131.7 m**	**132.6 m**	**123 m**

CGA GROUP OF COMPANIES (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE FUNDED BY SOUTHERN AFRICAN CITRUS GROWERS