

OECD JOINT INTERNATIONAL SEMINAR

J B Chadwick
Chief Executive Officer
Citrus Growers' Association of Southern Africa



INTRODUCTORY REMARKS

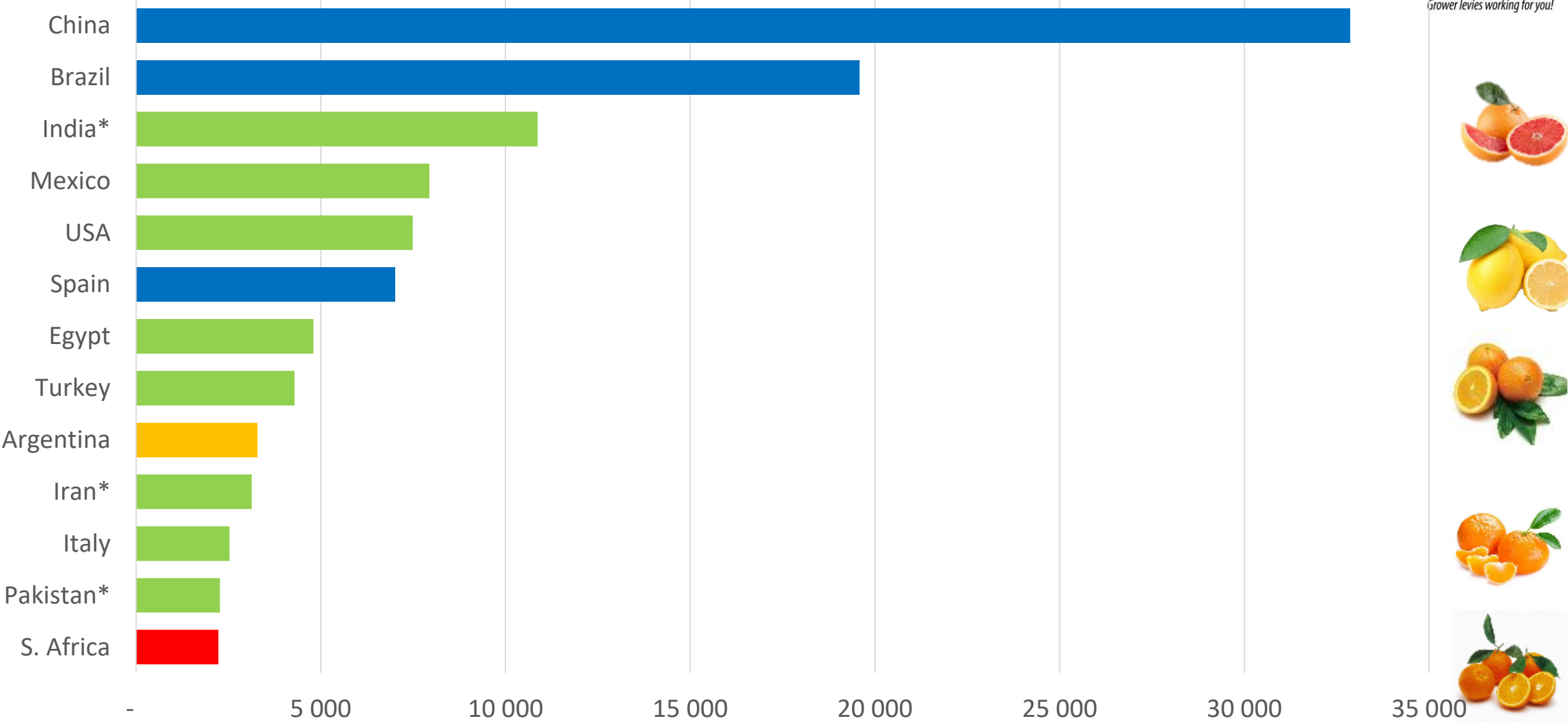
- Expert – “Curse of Confidence”
 - Difficult to receive feedback
 - Answer more questions than you are asking
 - Assume too much and stop innovating “you don’t know what you don’t know”
- Fruit trading is an “infinite game”
 - Has no defined time limit
 - Has known and unknown players (only player is yourself)
 - Win by staying in the game (others run out of resources or will)



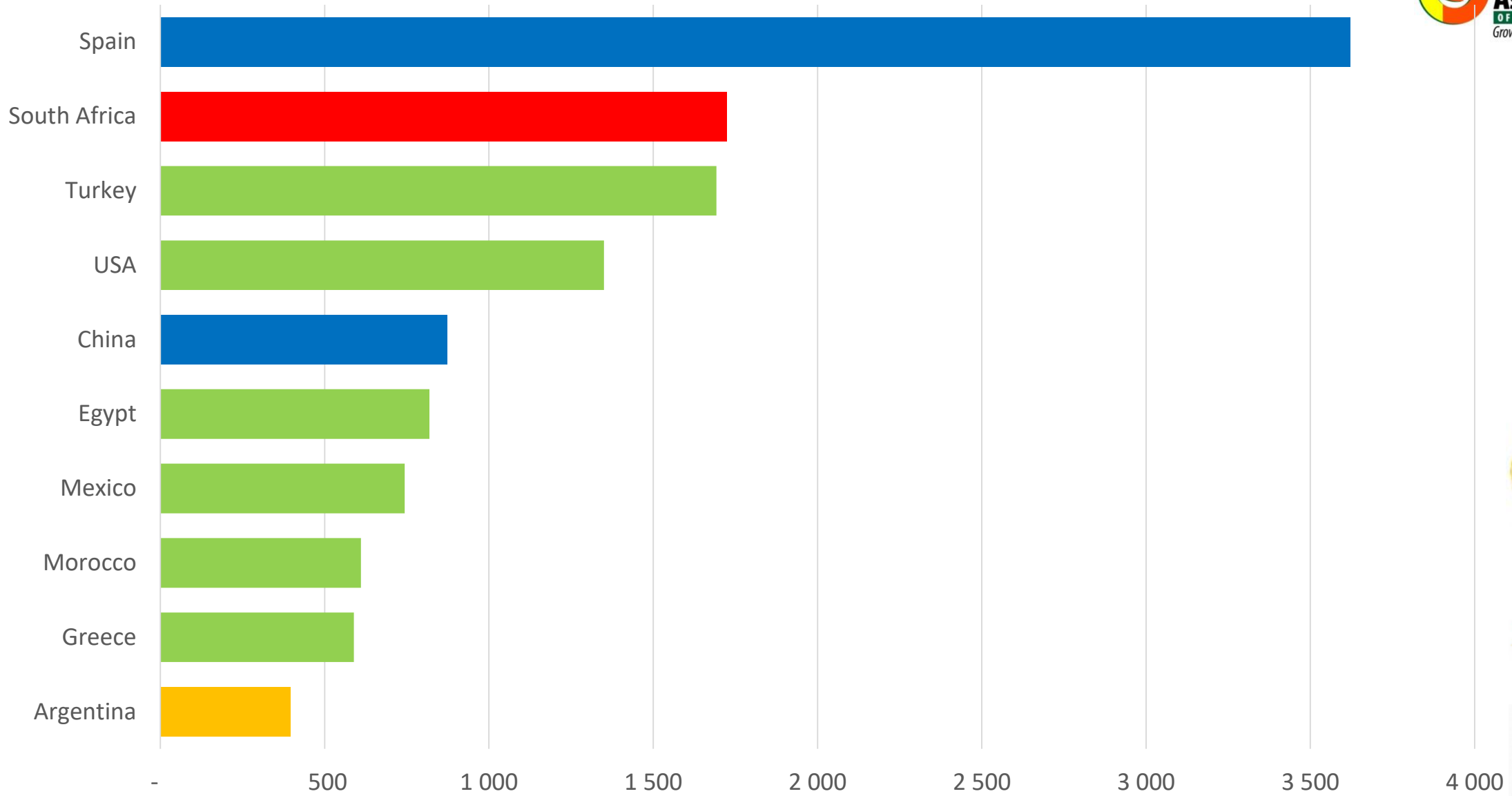
GLOBAL CITRUS PICTURE



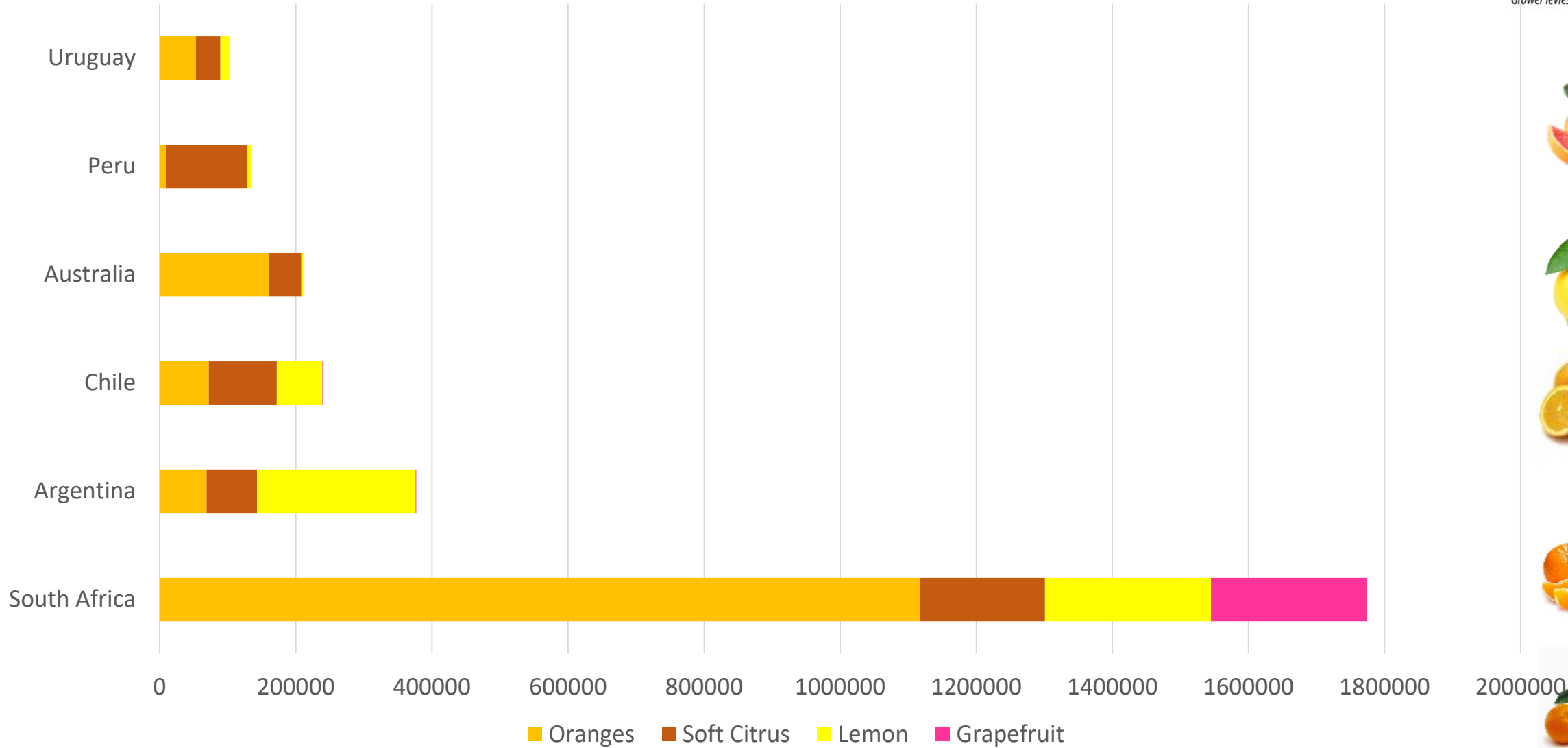
WORLD FRESH CITRUS PRODUCTION 2016/17 (thousand tons)



WORLD FRESH CITRUS EXPORTS 2016/17 (thousand tons)



Southern Hemisphere Citrus Exports (Average 2014 - 2018) Source SHAFPE



SOME CITRUS PERSPECTIVE: 2016/17

	CHINA	BRAZIL	SPAIN	SOUTH AFRICA
PRODUCTION (TONNES)	32.9 M (1)	19.6 M (2)	7 M (6)	2.2 M (13)
FRESH EXPORTS	872 000 (5)	100 000 (?)	3.6 M (1)	1.7 M (2)
% EXPORTS	3%	0.5%	51%	77%
PROCESSED		12.9 M		0.4 M
% PROCESSED		66%		2%
TOTAL CITRUS AREA	1 300 000 Ha	600 000 Ha	300 000 Ha	78 000 Ha
ORANGE AREA	285 000 Ha		149 000 Ha	35 000 Ha
SOFT CITRUS AREA	830 000 Ha		110 000 Ha	13 000 Ha
LEMON AREA	19 000 Ha		38 000 Ha	12 000 Ha
GRAPEFRUIT AREA	188 000 Ha		2 000 Ha	8 000 Ha



SOUTH AFRICAN CITRUS PICTURE

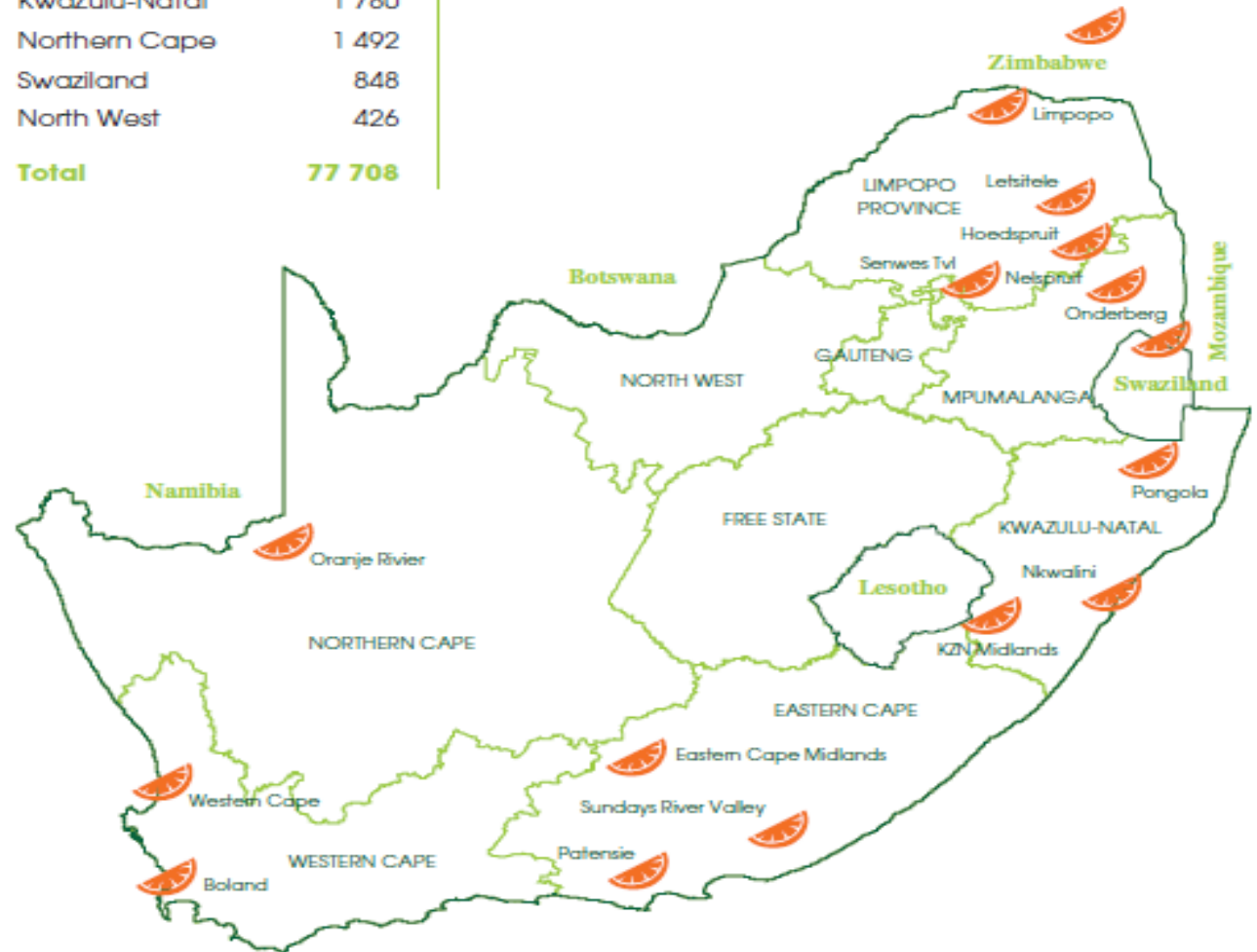


Where is South Africa?

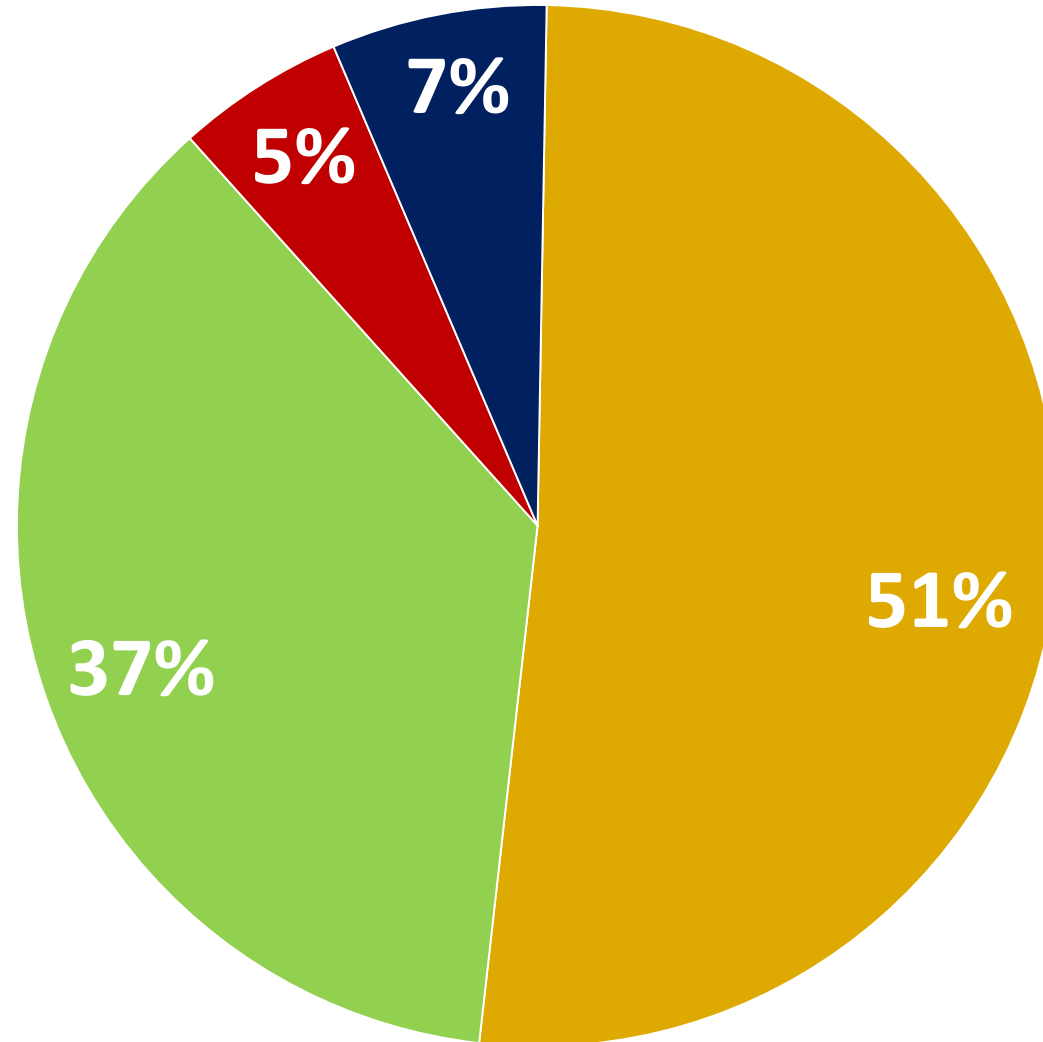


CITRUS PRODUCING REGIONS OF SOUTHERN AFRICA

<i>Province</i>	<i>Area (ha)</i>
Limpopo	32 334
Eastern Cape	20 171
Western Cape	12 960
Mpumalanga	5 739
Zimbabwe	1 958
KwaZulu-Natal	1 780
Northern Cape	1 492
Swaziland	848
North West	426
Total	77 708



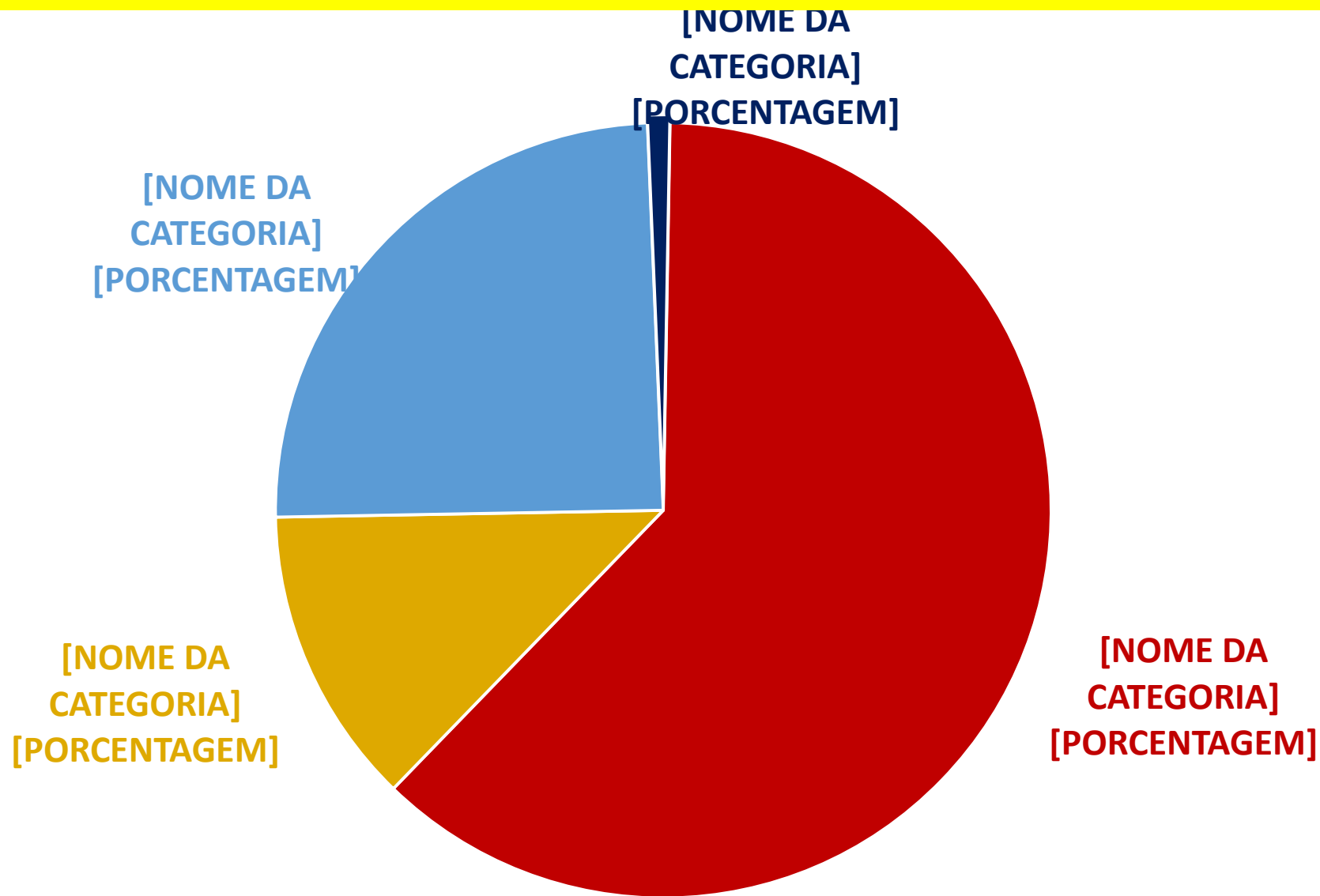
South Africa: Share of Fruit Produced



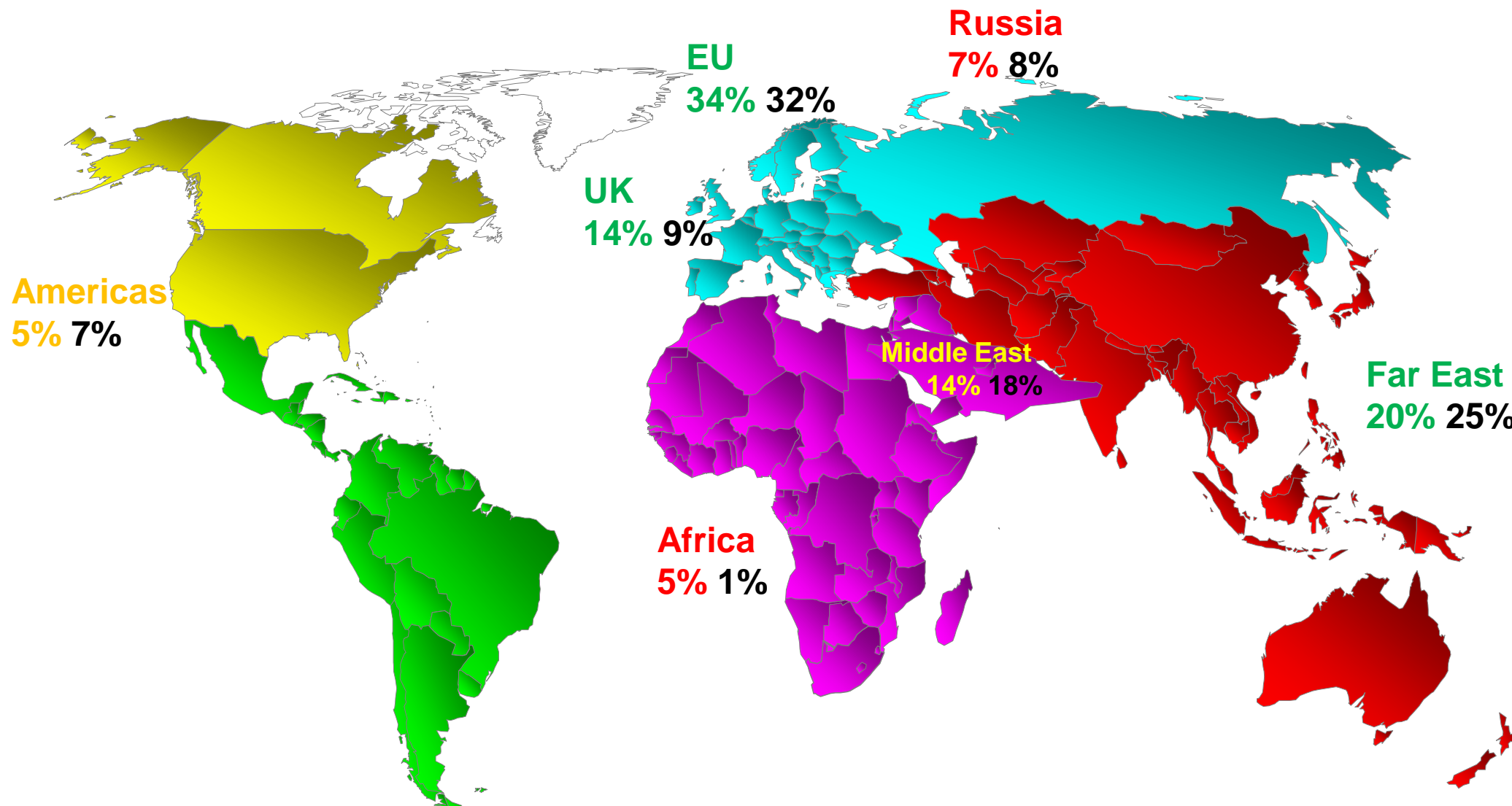
■ Citrus ■ Pome and Stone ■ Subtropical ■ Table Grapes



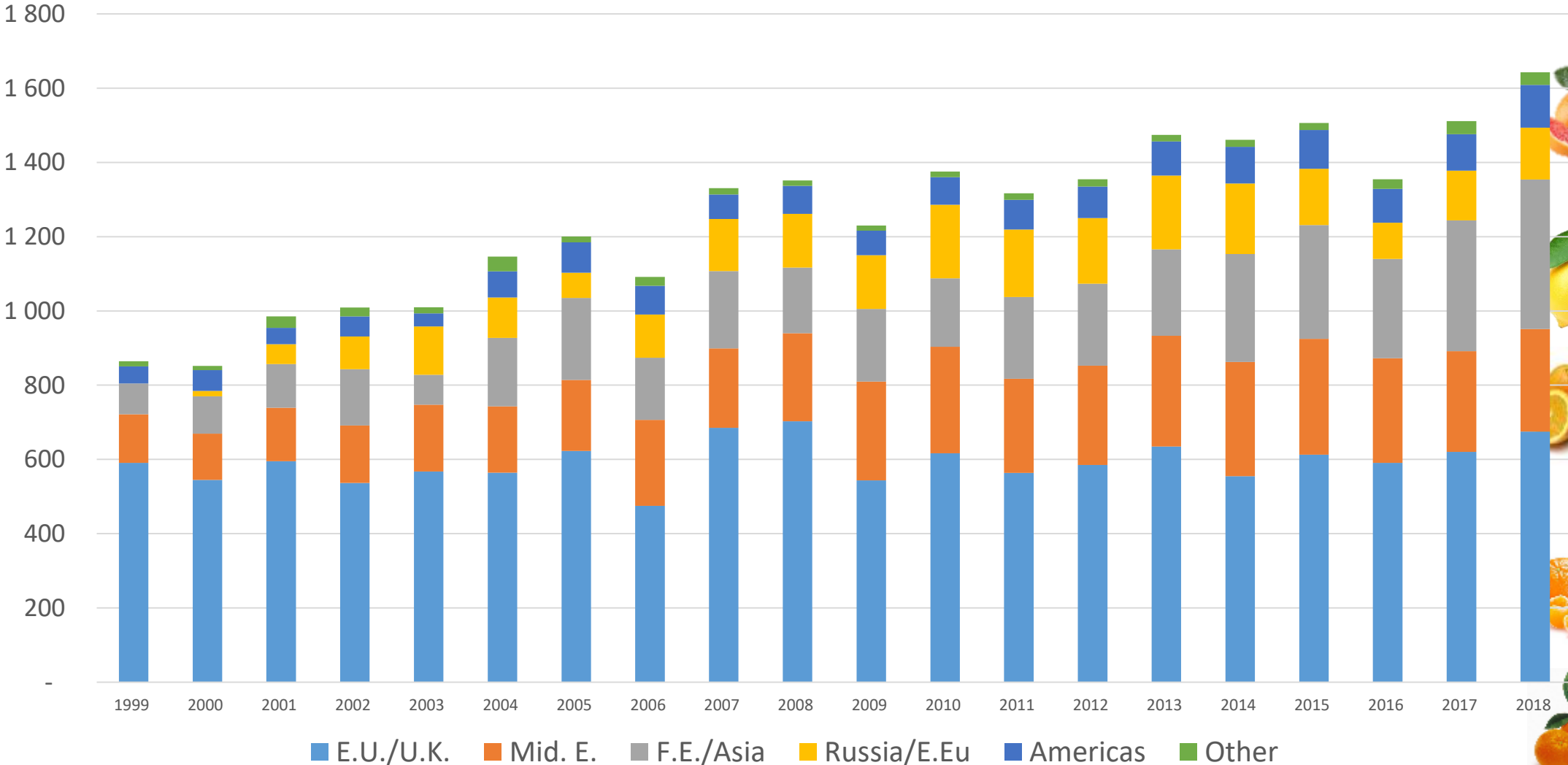
SOUTH AFRICAN FRUIT



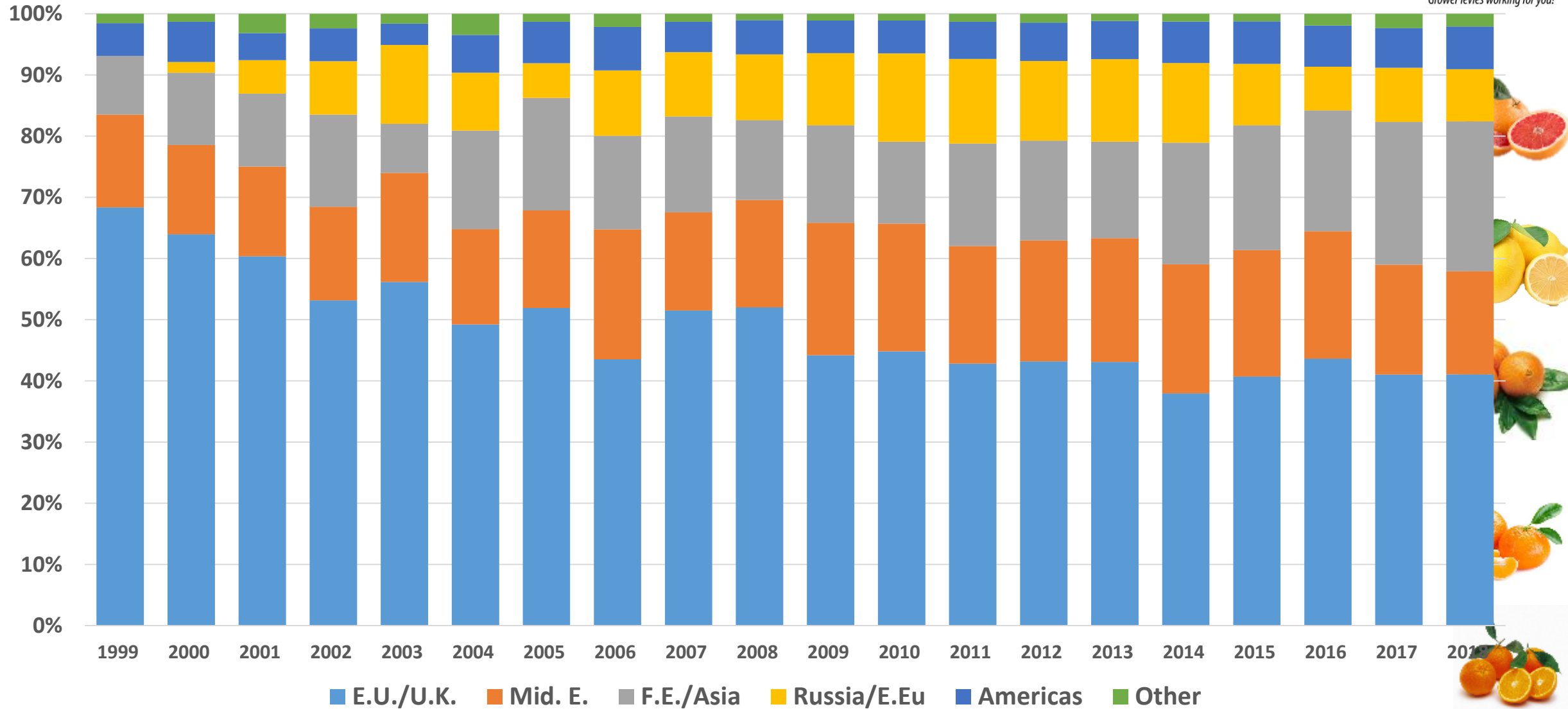
WHERE DOES SOUTH AFRICAN FRUIT/CITRUS GO



SOUTH AFRICAN CITRUS EXPORTS (Pallets)



% SOUTH AFRICAN CITRUS EXPORTS (Pallets)



SOUTH AFRICAN CITRUS CHALLENGES

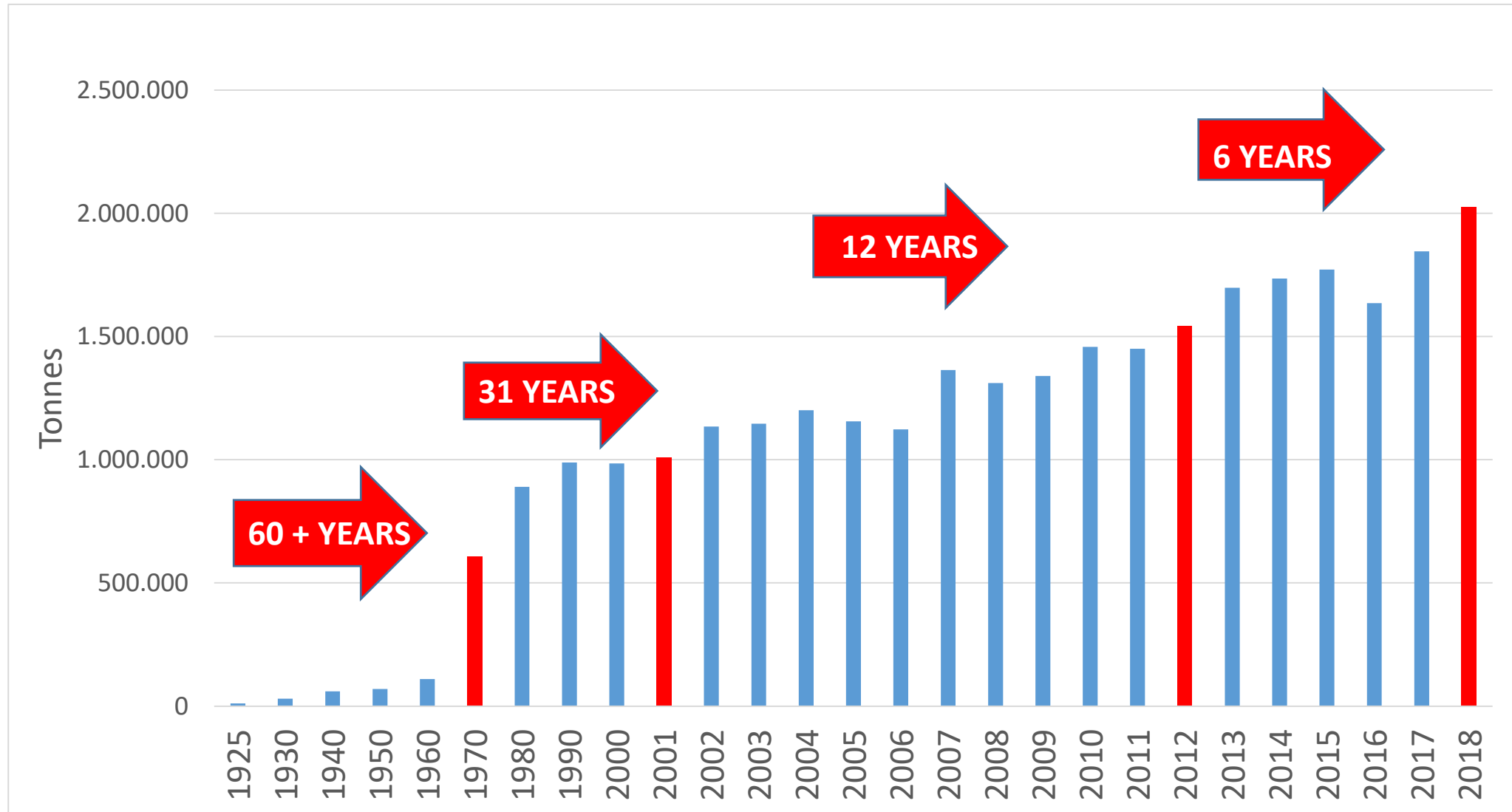


CHALLENGES AND OPPORTUNITIES FACING SOUTH AFRICAN CITRUS INDUSTRY

- Growth Forecast
- Market Access
 - Phytosanitary and sanitary
 - Tariffs
 - Quality requirements
- Logistics
- Policy uncertainty
- Transformation
- Climate change

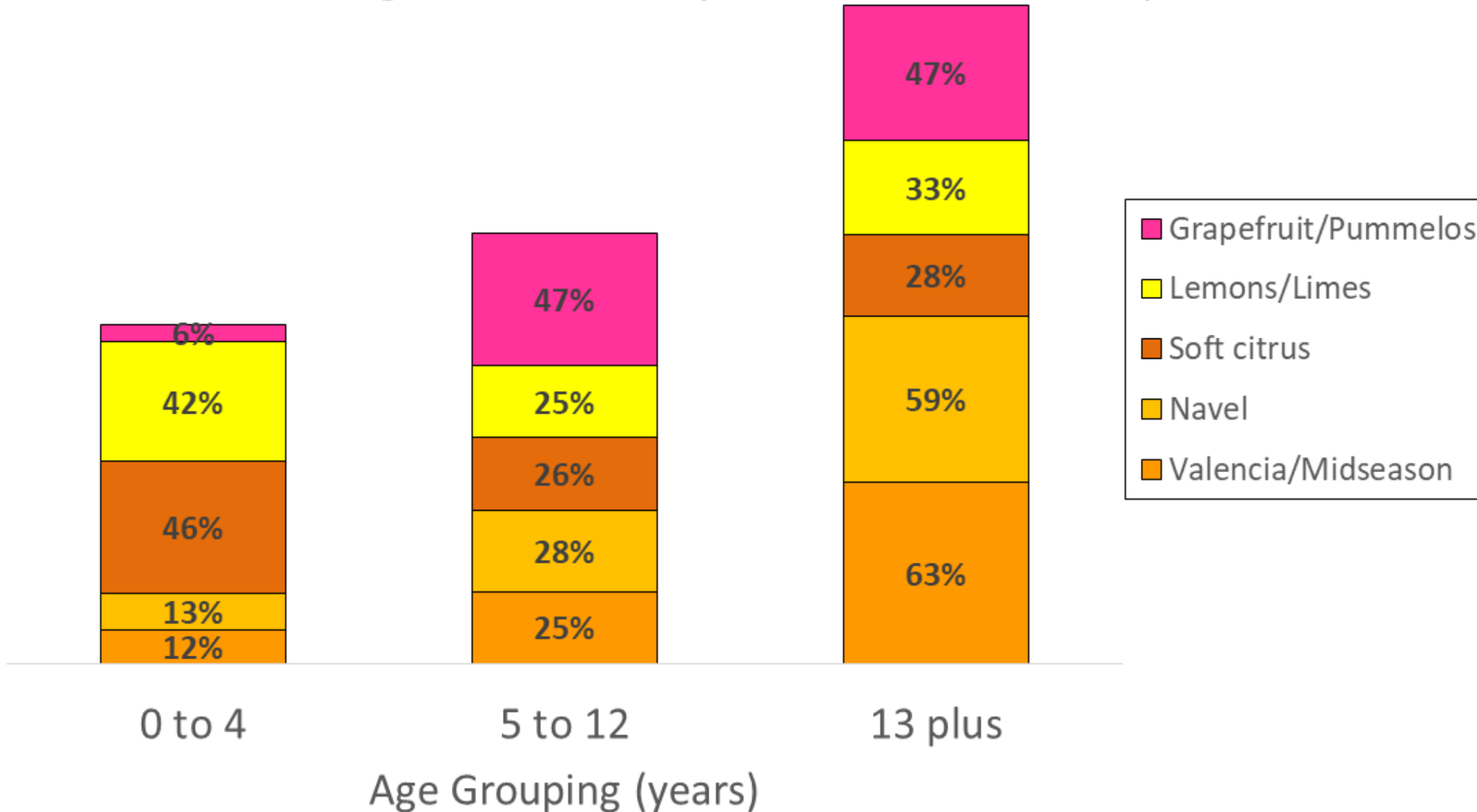


GROWTH OF THE SOUTHERN AFRICAN CITRUS INDUSTRY



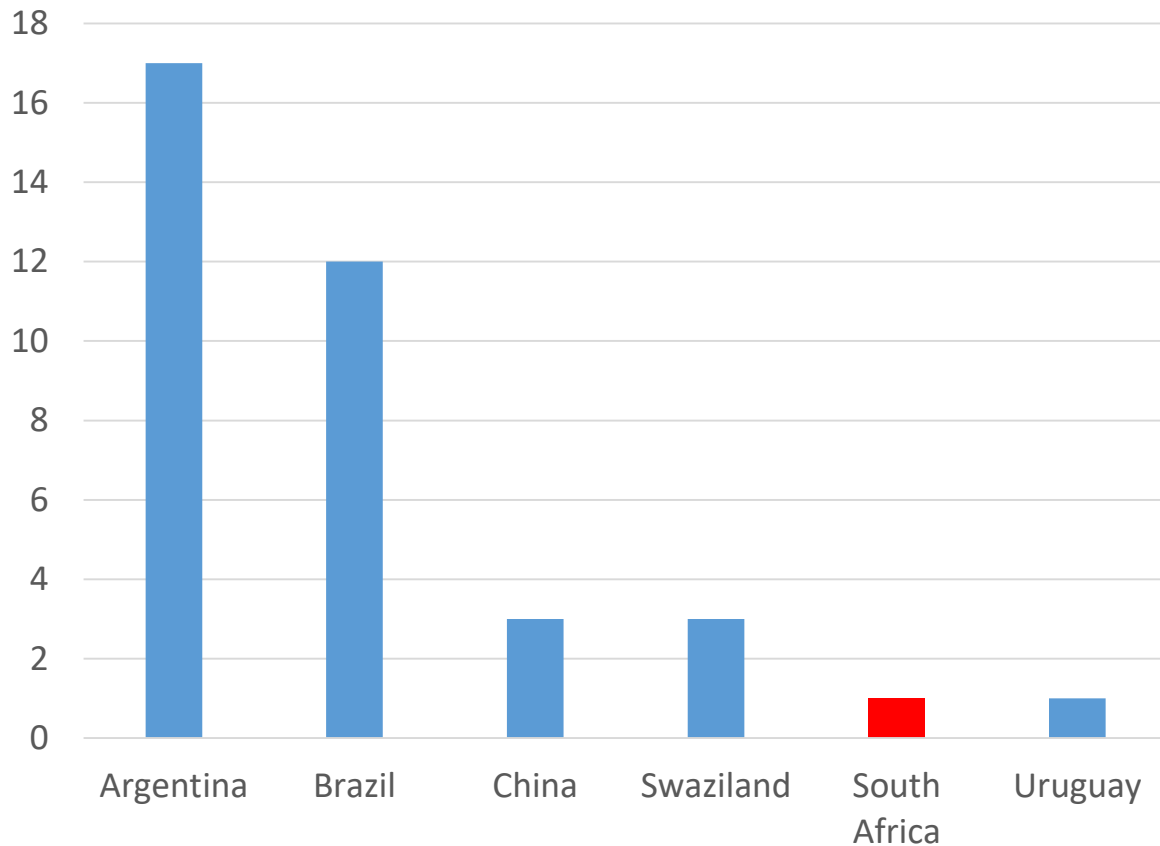
AGE OF TREES: IMPACT ON GROWTH IN FUTURE

Age Distribution per Citrus Commodity

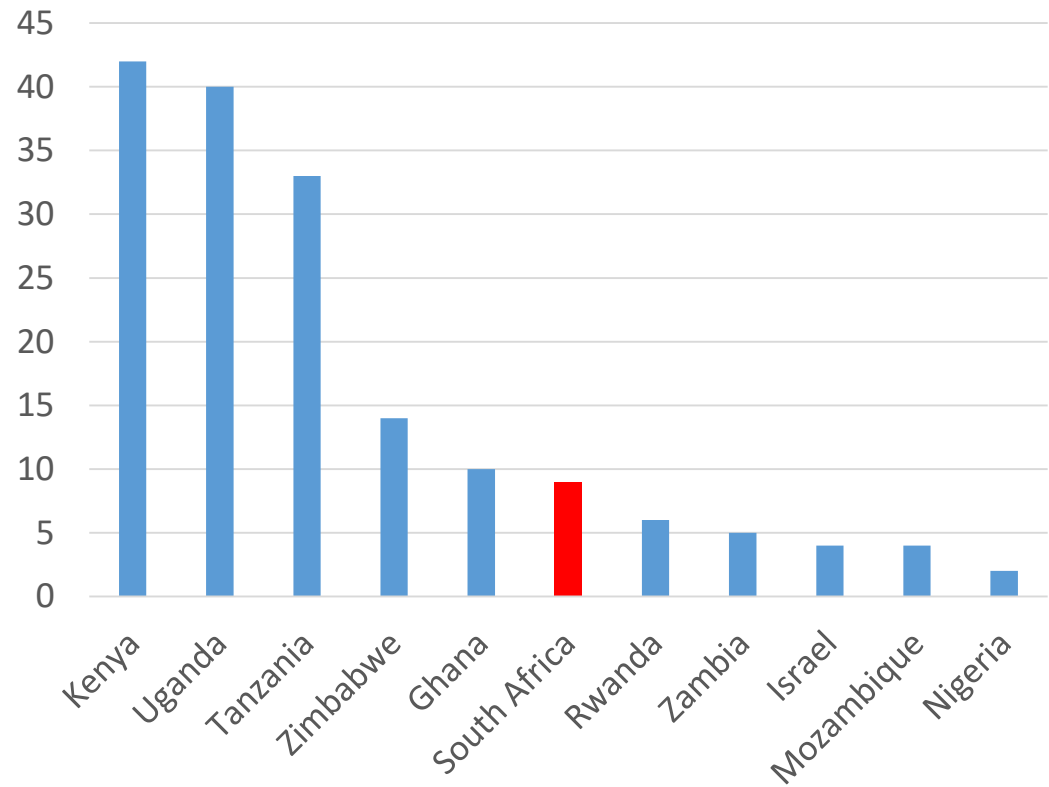


CHALLENGES : PHYTOSANITARY

CBS Interceptions in EU 2018 (to end October)



FCM Interceptions in EU 2018 (to end October)

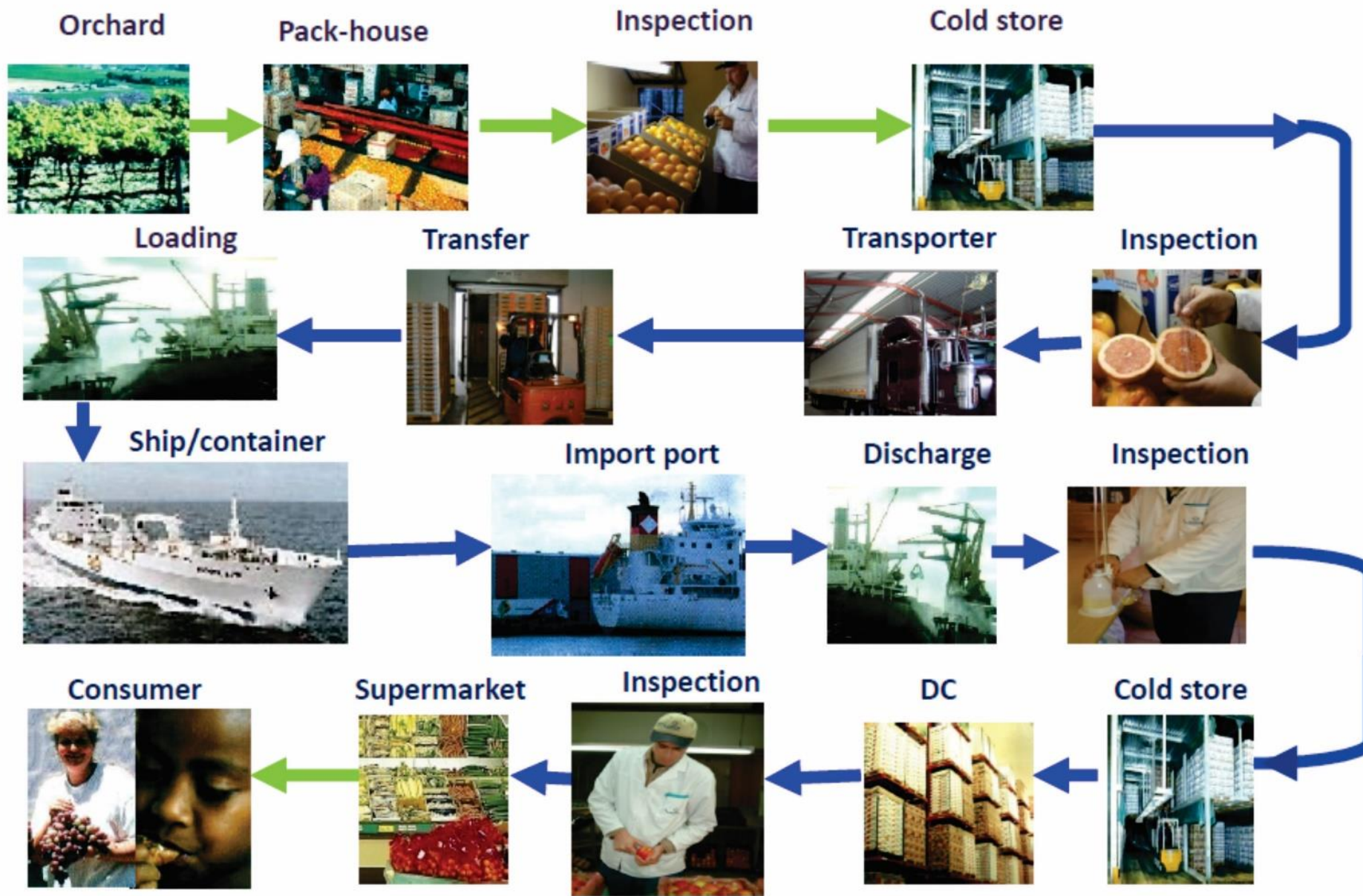


CHALLENGES: QUALITY – value of OECD

- Reliance on EU market
 - Harmonisation decreases inspection costs and time delays
 - Bring about certainty
 - Are minimum standards applied
 - All export consignments inspected
 - Be a responsible exporter – ethics and values are important
- Guides production decisions
 - Guides exporting decisions
 - Reduces rejections
 - Influences change
 - The market belongs to the consumer – give them what they want (not what you can or want to produce)



FRESH PRODUCE VALUE/LOGISTICS/COLD CHAIN

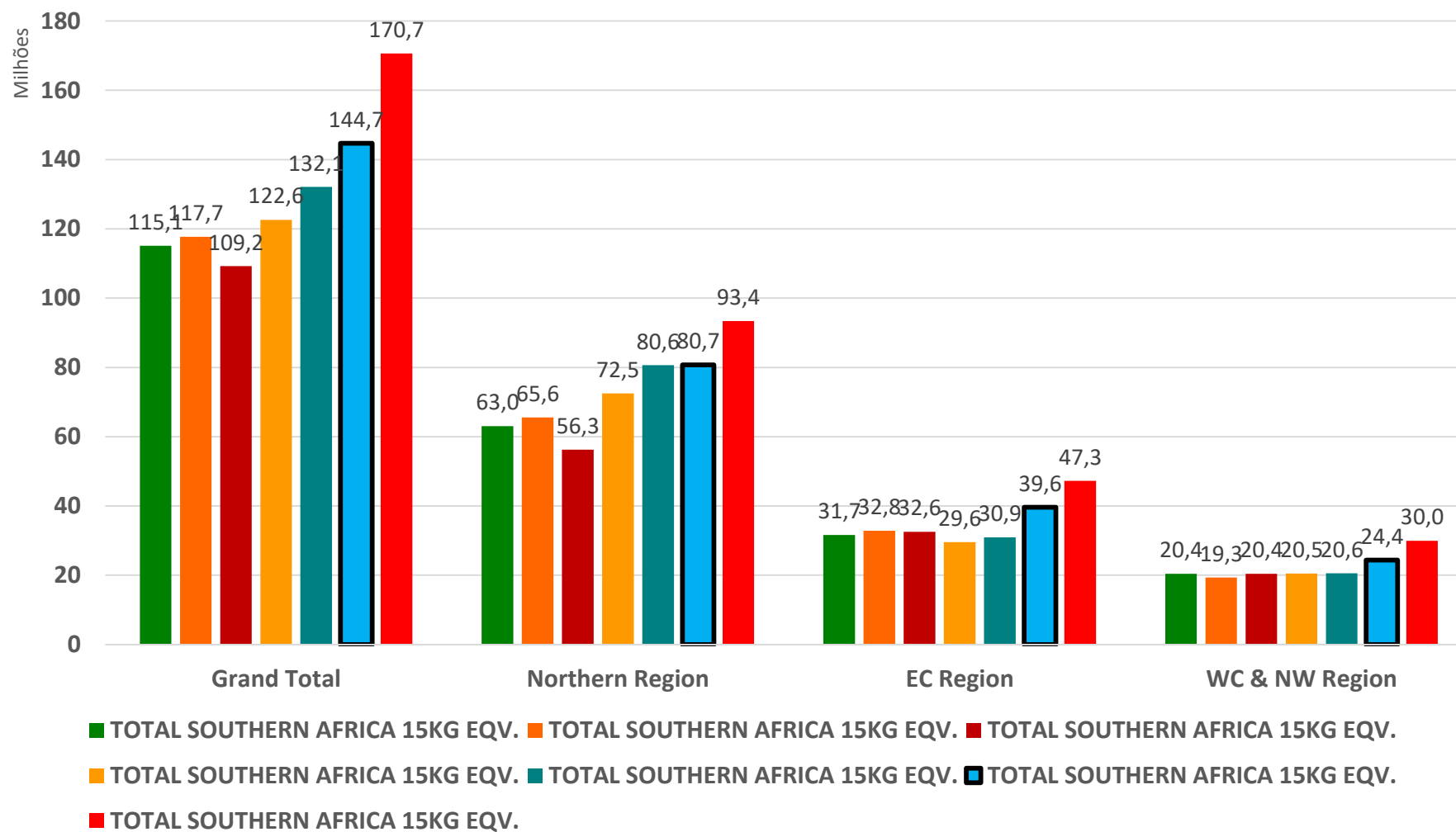


LOGISTICS

The 3 key citrus production and export corridors must be considered independently for logistics purposes



Total Southern Africa Citrus Export Production by Corridor (15 Kg Cartons)

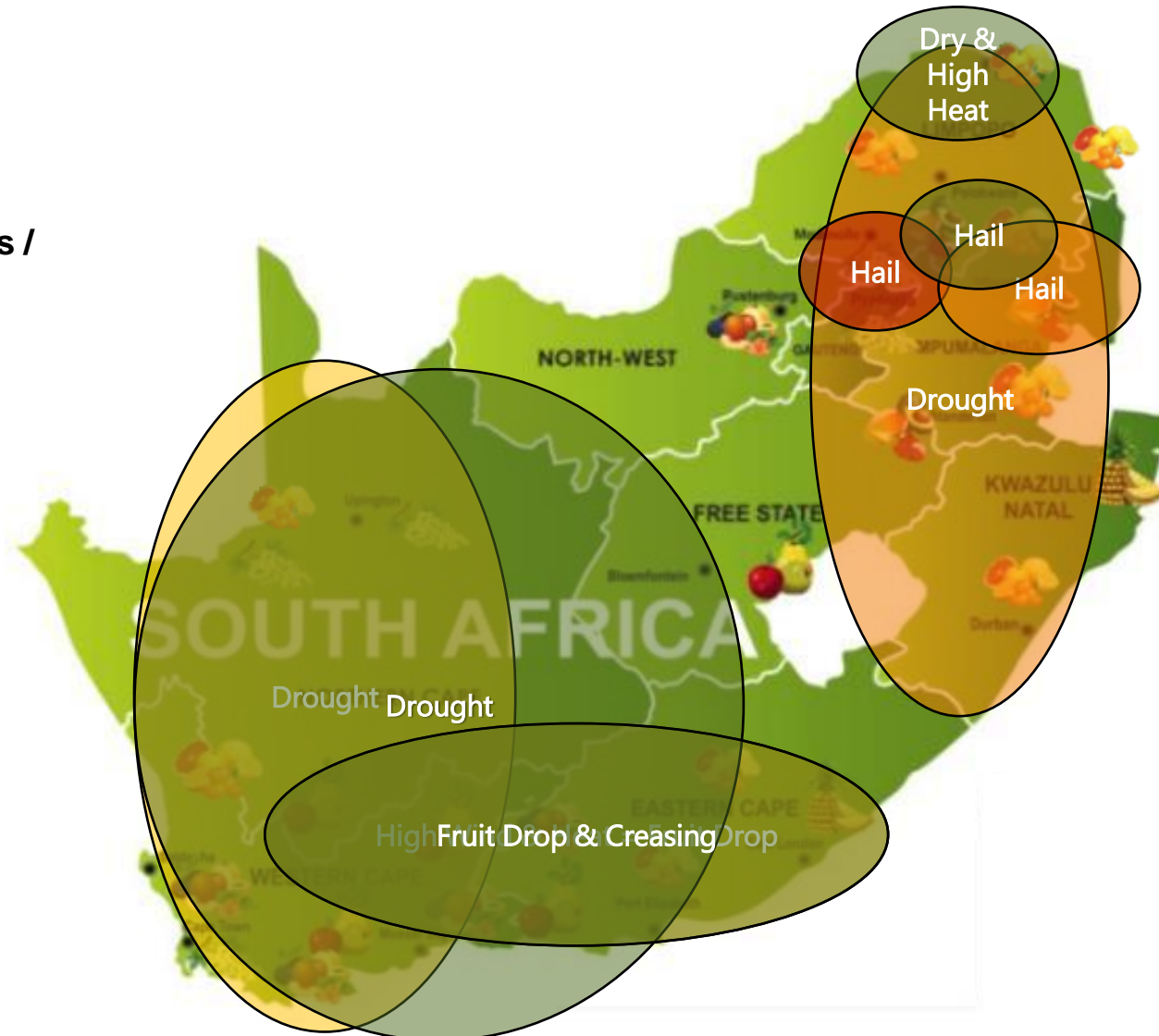


CHALLENGES: CLIMATE CHANGE

Major-
2015
2016
2017
2018

Typical Climatic –

1. Drought
2. High Heat
3. Hail
4. Tropical Storms / Floods
5. Frosting



Production volume can change from one season to the next and in the long term

Thank You, 谢谢, Gracias, Merci,
Grazie, Dank u, ありがとう, Danke

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