FROM THE DESK OF THE CEO (12/20)

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Justin Chadwick 10 April 2020



"Miracles are not contrary to nature, but only contrary to what we know about nature" Saint Augustine

I WOULD LIKE TO WISH ALL OF YOU A HAPPY EASTER – AS YOU SPEND THESE SPECIAL DAYS IN LOCKDOWN LET US ALL APPRECIATE FAMILY AND FRIENDS, AND THE DIFFICULT DECISIONS THAT LEADERS HAVE TO TAKE. AS LEADER OF YOUR LIFE TAKE TIME TO REFLECT ON YOUR GOALS AND ASPIRATIONS, RESPONSIBILITIES AND ACTIONS. LET US ALL THINK OF THOSE WHO ARE LESS FORTUNATE – AND PLAY A ROLE IN ASSISTING THEM.

LEMONS FAST OUT OF THE BLOCKS

With many packhouses delaying startup of grapefruit and orange operations until after Easter (and in some cases after the original lockdown date) to prevent disruptions, lemon harvesting and packing has taken the lead. Lemons shipped to date total 3,7 million cartons – more than double 2019 volumes at the same time (1,76 million cartons). The bulk of these shipments (66%) have been to the Middle East (2019 37%), while Russian shipments increased from 9 to 13%. South East Asian shipments remain consistent at 11%, while European shipments dropped from 28% to 5%.

Shipping of soft citrus (2020 437 000 cartons; 2019 346 000 cartons) and grapefruit (2020 195 000 cartons; 2019 222 000 cartons) are very similar to the previous year.

COVID-19 EXTENSION

For some the extension of lockdown measures was expected, for others it came as a shock. What is clear is that government is taking drastic steps to ensure that South Africa beats the virus. Let us all realise that the virus is the enemy, and do our part in its defeat. The economic hardships that have evolved, and will now accelerate are of concern. The President did say that government would be doing a risk assessment of the different lockdown measures, to see where relaxation could be introduced so as to lessen the impact on the economy. This is a fine balancing act – to ensure that the curve continues to flatten while firing up sectors of the economy that pose less risk. At CGA we recognize the responsibility and the privileged position that the citrus industry is in – there is a huge responsibility to ensure that those working in the supply chain remain virus free, there is a responsibility to ensure that the supply chains function and global consumers have access to citrus. The citrus industry is privileged to be producing food and deemed an essential good/service. Those in the citrus sector can carry on earning income, salary earners continue to draw salaries and its almost business usual in unusual times. The CGA Board has formed a small CGA COVID-19 Response Committee to ensure that we meet our responsibility and use our privileged position wisely. The Committee members are Cornel van der Merwe (Chairman), Jan Louis Pretorius (Letsitele), Piet Engelbrecht (Senwes), Gerrit van der Merwe (Western Cape) and Hennie Ehlers (Sundays River). Joining them will be CGA staff. This committee will consider different scenarios, and within each scenario consider impacts on the industry in terms of inputs and services, workers, operations and markets. The idea is to be proactive in positioning the industry to meet future challenges.

TRANSPORT OF WORKERS

The deciduous fruit industry has reported some problems when transporting workers back home after they completed their season. It is anticipated that the citrus industry may have similar issues when transporting workers as the citrus season starts in earnest. Paul Hardman has prepared some guidelines on the transport of workers (available on www.cga.co.za). The government is consistently revising their rules and regulations, which will be used to update the document.

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