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This year the Citrus Growers' Association Grower Development Company (CGA-GDC) turns five years old! This auspicious occasion calls for the celebration of our company's achievements and programmes, while also celebrating the most recent developments in the citrus industry, including access to new markets and a growth in production figures amongst black citrus growers.

The need for a special purpose vehicle dedicated to addressing the many challenges faced by black citrus growers was identified following a survey amongst 118 black growers in 2013/14. These challenges included lack of access to land, water, financing, equipment, training, farm infrastructure, mentorship and education.

This led to the establishment of the CGA-GDC in 2016 with its primary objective being to make a significant impact on transformation within the citrus industry, while focusing on the development of black citrus growers.

We have rolled out programmes in a number of areas over the past five years including business management support; production and technical support; skills development and facilitating access to funding and an export readiness programme (to ensure optimal access to overseas markets).

While it has not been an easy road, we are extremely proud of the successes we have achieved when it comes to empowering black citrus growers across the country. Several associations and companies have been large contributors to our success, and we are grateful to maintain these successful partnerships with the Department of Agriculture, Land Reform and Rural Development and their provincial counterparts in the Eastern Cape, Limpopo and Western Cape. This list includes several state-owned enterprises as well, including the Agricultural Research Council (ARC), the National Agricultural

Marketing Council (NAMC) and the Perishable Products Export Control Board (PPECB). We have also enjoyed great support from financial institutions such as ABSA, as well as from the private sector through companies like COCA-COLA.

Our successes also include the phenomenal growth in production by black growers over the past few years, including a 40% increase in production between 2019 and 2020 alone. You can read more about black growers' sizeable contribution to the local sector below.

Another flagship project being led by the CGA-GDC in partnership with the Jobs Fund is the R307 million Economic Transformation Black Citrus Growers Programme. We put out a call for applications last year and are thrilled with the response from black growers. We provide an update on the project below.

Finally, as we look ahead to the next five years, the CGA-GDC recently finalized its Transformation Plan that will be rolled out from 2021 to 2024, which will be funded by a portion of the new citrus levy, recently gazetted by Minister of Agriculture, Land Reform and Rural Development, Thoko Didiza.

The CGA-GDC looks forward to building on what has been achieved over the past five years and to continue contributing towards creating a profitable and sustainable black citrus grower sector, while ensuring the inclusive transformation of the citrus industry and agricultural sector as a whole. We invite any new stakeholders wishing to partner with us on the development of black citrus growers to join the CGA-GDC.

**Lukhanyo Nkombisa**

General Manager of the CGA Grower Development Company

## MESSAGE FROM THE

# CGA CEO

The 2021 export season is in full swing with two thirds of this year's grapefruit crop and almost half the lemon crop having been packed and passed for export by the first week of June.

With the local industry expecting another record-breaking season this year, it was extremely positive to have one of the world's largest specialised reefer vessels visit our country last month. The MV Cool Eagle docked at the Durban Port to pick up 1.2 million cartons of citrus which was transported to export markets from Rotterdam, the Netherlands and from St. Petersburg in Russia. Its sister ship, the MV Cool Spirit followed soon thereafter - highlighting the strong demand for our local citrus in key markets.

Another significant milestone was the first shipment of South African citrus to the Philippines at the beginning of the month - after 12 years of negotiations between the countries.

While we are thrilled to be able to deliver Vitamin C to the rest of the world, we are also strongly aware of the many challenges that still exist at our country's ports, which often result in containers of citrus sitting for weeks at a time before being shipped off.

Specialised reefer ships like the MV Cool Eagle help the industry avoid these delays, as they dock at terminals managed by private operators. However,



the bulk of our citrus harvest is still transported by container ships that dock at Transnet operated terminals.

It is therefore critical that our ports operate effectively in order to support the continued growth of the citrus industry, including increased exports from black citrus growers.

The CGA will continue engaging with and supporting the management at Transnet on issues affecting the ports, and will keep growers updated on any new developments in this regard.

Finally, I would like to congratulate the CGA-GDC on turning five this year. The CGA looks forward to continue working hand-in-hand with Lukhanyo and his team to provide the necessary support to black citrus growers so that they can grow their enterprises and access new markets.



# CGA-GDC

## **SIGNS ITS 4 YEAR TRANSFORMATION PLAN**

The CGA-GDC is proud to announce the finalization of its four-year Transformation Plan, which will be rolled out from 2021 - 2024 in partnership with the Citrus Academy.

The plan will focus on several key areas, in order to ensure that the needs and concerns of black citrus growers are heard and addressed. It also aims to increase the number of black-owned citrus enterprises in the citrus value chain, while supporting these enterprises to grow sustainably.

The Transformation Plan will be executed through our producer development programme and funded through the new statutory export citrus levy, which was signed into effect in December 2020 by Minister Thoko Didiza.

The plan will provide support to black citrus growers in several areas including:

- Enterprise and supplier development programmes for black growers;
- The provision of skills development programmes to black growers;
- The roll-out of socioeconomic development programmes in rural communities;
- Ensuring the sustainable growth of black owned enterprises; and,
- Ensuring the greater representation of black growers in industry leadership positions.

Under enterprise and supplier development, the transformation plan will fund the attendance of representatives of black-owned citrus enterprises to local and overseas (when travel permits) symposiums, technical workshops, and marketing conferences that are relevant to citrus production, and which will ultimately help improve their business performance and access to opportunities.

Enterprise development will also seek to assist black citrus growers with increasing the hectareage and volume output of their farms (to both local and international markets), as well as with their water infrastructure and mechanization.


In terms of skills development, the transformation plan will provide bursaries to students in citrus-related fields of study, in order to address employment equity and critical skills in the citrus industry, through the Citrus Academy. Students and graduates will also be assisted to obtain workplace experience and industry exposure. After graduation, the Academy will assist students to obtain placements in the citrus industry.

By ensuring that black owned citrus enterprises are represented within the decision-making bodies of the citrus industry and all relevant CGA structures, the transformation plan will also enable continued constructive engagements with black citrus growers across South Africa.

And last, but not least, the plan seeks to assist in the development of rural communities, where citrus production forms one of the main sources of employment as a driver of the local economy.

It is the CGA-GDC's vision to become a leading commodity development company in South Africa that is able to change the face of our agricultural landscape by empowering black citrus growers.

We look forward to achieving all our outcomes over the next 4 years and will continue to provide updates on our progress and key successes.



# UPDATE ON THE TRANSFORMATION BLACK CITRUS GROWERS PROGRAMME

Last year, the Citrus Growers' Association (CGA) put a call out for applications for a R307 Jobs Fund project that would make funding and technical support available to black citrus growers for orchard establishment, expansion and rehabilitation, as well as on-farm development of various infrastructure including packhouses, bulk water supply and irrigation systems.

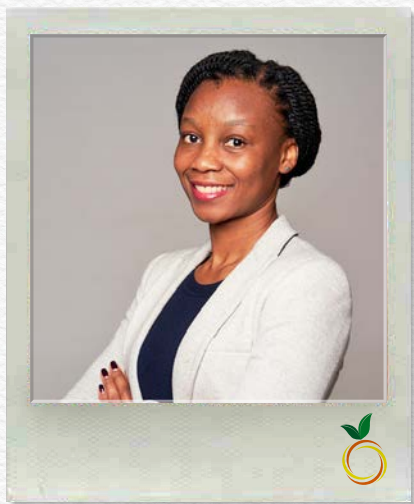
The programme will be implemented over three years across South Africa, with a specific focus on

the Limpopo, Mpumalanga, Eastern Cape, North West, Western Cape and KwaZulu-Natal provinces.

We are thrilled that a total of 29 applications have been received by growers with a total value amounting to just over R86 million - with applications ranging from R3 million to R45 million per enterprise. The CGA-GDC should make an announcement on the first group of successful applicants in the next few weeks.

## CELEBRATING INTERNAL ACHIEVEMENTS AND STAFF

## MEMBERS



The CGA-GDC is happy to announce that our Financial Manager, **Mathapelo Portia Mello** has obtained an additional qualification as a Chartered Accountant from the South African Institute of Chartered Accountants (SAICA).

Mathapelo is skilled in financial accounting, financial management, external auditing, International Financial Reporting Standards (IFRS) and is a strong accounting professional with a B. Comm Financial Accounting degree from the University of Pretoria, together with a Postgraduate Diploma in Accounting Science from the University of South Africa.

She is also assisting the CGA-GDC as a Shadow Director on the RBX Board, and sits on their Auditing Committee. When she is not putting financial control measures into place, she spends her time lobbying to acquire funding for the development of black citrus growers. She has also assisted the CGA-GDC on numerous occasions with our Human Resources department and Policy Development.

We are very fortunate to have Mathaphelo working as an asset for the CGA-GDC and look forward to celebrating many more of her achievements in the years to come.



# BLACK CITRUS GROWERS STOCK SA SHELVES WITH VITAMIN C

Earlier this year, we announced that black citrus growers had increased their production figures by 40% between 2019 and 2020 alone. This is a phenomenal achievement, reflecting the hard work that has been done to ensure the inclusive transformation of the citrus industry of South Africa.

It is also an indication that our industry's transformative efforts are yielding positive results. With the increase in production figures comes an increase in revenue - and we are delighted that our transformation initiatives are able to economically empower black citrus growers to reach new heights.

Several farms and black growers have increased their output by over 40 000 cartons – with one black grower increasing production by 99 000 cartons in just one year alone.

Even more exciting is the fact that this increase in production figures means that black citrus growers have become sizeable contributors to our local citrus market. The latest harvest records have also revealed that black citrus growers have increased their output to domestic markets by 55% since 2019.

Their farms produce line our shelves with much needed Vitamin C. Last year, black citrus growers provided over 400 000 cartons of fruit to South African grocery stores and supermarkets. If we were to stack each of these cartons, side by side, we would have a long line of produce spanning over 108 kilometres in length.

To really visualise the magnitude of black citrus growers' contribution to our local markets, we can measure the number of cartons against Table Mountain, in Cape Town. If we had to stack these cartons against the mountain, we would need 99 Table Mountains stacked one on top of the other in order to match the number of citrus fruit cartons produced by black citrus growers for South African shelves last year.

This is a truly phenomenal achievement, given the nature of the global pandemic and the need to prioritise our health as a nation, now more so than ever before. South Africans are able to enjoy high quality fruit, that is packed with Vitamin C and produced locally by black citrus growers. It is clear that the transformation of our agricultural sector should be prioritised if we want to bolster our local food security and national health, while addressing the injustices and inequalities of our past.

In addition to this, more than 75% of black citrus growers in South Africa are now exporting their produce to global markets. If we had to try and measure their contribution both locally and at a global level, we would certainly need several more mountains as reference points for the magnitude and size of what their farms are producing.



Mzo Makhanya and his citrus farm



# CITRUS

## INDUSTRY SENDS OFF FIRST SHIPMENT OF SOUTH AFRICAN CITRUS TO THE PHILIPPINES

On the 8th of June, a delegation from the Citrus Growers' Association of South Africa (CGA) visited the Durban Port to see off the first South African shipment of citrus to the Philippines. This historic occasion follows twelve years of negotiations between the two countries with a landmark workplan finally being signed between the Department Agriculture, Land Reform and Rural Development (DALRRD) and the Philippines Bureau of Plant and Industry (BPI) at the end of last year.

This new market presents an export potential of 20 000 tons of citrus fruit, with export earnings of close to R205 million annually. It will also translate into more desperately needed job opportunities - at a time where Covid-19 has devastated many other industries and led to millions of job losses.

The opening of the Philippines market also comes at a time when the South African citrus industry is expected to grow by a further 500 000 tons over the next 3 to 5 years. Expanding access to new overseas markets is crucial if our local citrus industry wants to avoid an oversupply of the region's exports to its existing markets.

When it comes to the current export season, the soft citrus-producing regions are expected to show the most significant growth (up 29% from last year) with mandarins expecting to grow by 42% within this category. It is therefore encouraging that this category makes up the biggest volumes of citrus imported by the Philippines, with over 80 000 tons imported between 2016 and 2018 - out of a total of 117 000 tons of citrus imported over that period.

Up to now, Argentina and Australia have been the largest exporters of mandarins from the Southern Hemisphere to the Philippines.

However, the CGA hopes that the local South African citrus industry will surpass these countries as the main supplier of soft citrus to the Philippines over the next few years.

Gaining access to this new market is largely the result of a close collaboration between industry role players including the CGA, Citrus Research International (CRI), the South African Embassy in Manila and DALRRD.

The CGA has stated that it will continue working with government to open and expand access in other key markets including China, USA, India, Japan, Vietnam and the European Union.



# CITRUS

## ACADEMY BURSARY APPLICATIONS FOR 2022 NOW OPEN

Applications for the Citrus Academy Bursary Fund for the 2022 academic year opened on the 1st of June!

The Citrus Academy is looking for students who are studying the following agricultural related subjects:

- Agricultural Management
- Agricultural Economics
- Agricultural Production
- Plant Pathology
- Plant Production
- Microbiology
- Soil Science
- Entomology
- Horticulture
- Mechanical Engineering
- Industrial Engineering.

Are you, a family or staff member:

- A South African citizen/ Zimbabwean citizen/ Swaziland citizen

- Studying fulltime or part-time at a registered tertiary academic institution
- Studying in a field related to citrus production or research
- Going into your second year of study, or above
- Interested in a career in the citrus industry

The bursary will cover tuition fees, prescribed books, stationery, accommodation on campus and research costs (for postgraduate students).

Please note that every bursary recipient will on completion of their studies be required to take up employment within the citrus industry, for a period of time equal to their bursary award.

Applications can be submitted online at: <https://citrusacademy.org.za/apply-for-a-bursary/tertiary-education-support/>

**CLOSING DATE:**

**15 September 2021**



The poster for the Orange Heart Fruit Drive features a central logo of an orange with a heart shape inside. Below the logo, the text "orange heart Fruit Drive" is written in a mix of bold and script fonts. To the right of the text are four circular images: a young boy holding oranges, a man holding a large basket of oranges, a person standing next to a large pile of oranges, and a close-up of oranges. Below the images, the text "Call for fruit donations" is written in a large, bold font. At the bottom, there is a green banner with white text that reads: "We can arrange for collection, transport and delivery from all citrus-growing areas and harbours. #HelpUsHelpOthers Contact Sive on [hello@orangeheart.co.za](mailto:hello@orangeheart.co.za) or pledge on [www.orangeheart.co.za](http://www.orangeheart.co.za) Citrus Growers' Association".

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Fruit Drive**

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**Citrus Growers' Association**