

ED'S NOTE

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As we are about to head into the 2022 export season, the CGA Grower Development Company (CGA-GDC) thought it would be apt to look back at the past five years and all that we have managed to achieve since our inception in March 2016. This is why our first newsletter for the year, will focus on reflecting on some of our greatest achievements, which we believe will continue to benefit black citrus growers for years to come.

This includes small but significant programmes focused on supporting emerging farmers such as the provision of shade netting to increase their orchard's annual yield, while also improving the quality of fruit. You can read more about this successful programmes below.

We are also very excited to share that the CGA-GDC has two new members on its leadership team. Tshililo Ronald Ramabulana has been elected as the new CGA-GDC Board Chairman, while Rajen Govendor has taken up the position of Director of the CGA-GDC Board. Ramabulana and Govendor have a proven track record of success within the citrus industry, which we share more detail on below. We look forward to our organisation benefitting from their vast experience moving forward.

Before the 2022 citrus season has even started, our industry has been faced by an unforeseen threat, which is the Russian invasion of Ukraine. Justin Chadwick, provides an update, in his CEO message, on how the CGA is working with other stakeholders to try to mitigate the impact that the conflict could have on citrus exports over the coming months.

On citrus exports, we are happy to announce that more black citrus growers are now exporting their produce to global markets - we provide more detail on this and several other achievements in the pages that follow, which highlight the progress we are making towards building a more inclusive and profitable citrus industry for all South Africans.

Last – but certainly not least, we share the inspiring and heartfelt story of Lavhengwa Nemaorani, who has continued to build on his late father's legacy on a citrus farm in Limpopo, which has owned and run by his family since the 1990's.

We hope that this month's newsletter demonstrates what is possible when an industry comes together in an effort to make the sector more accessible, inclusive, sustainable and profitable and in order to position itself as a major economic contributor to the country.

Lukhanyo Nkombisa
General Manager
of the CGA Grower
Development
Company



MESSAGE FROM THE

CGA CEO

The Citrus Growers' Association of Southern Africa (CGA) has hit the ground running this year, with one of our first shipments of lemons to China departing in February, following the signing of the Revised Lemon Protocol last year. The first consignment was celebrated with a small event at the Maydon Wharf Fruit Terminal in Durban.

We were joined by Minister of Agriculture, Thoko Didiza, and several other industry stakeholders, to celebrate this auspicious occasion, while also making time to discuss increased market access opportunities to ensure the continued and sustainable growth of our local citrus industry.

In this regard, the Russian invasion of Ukraine has already impacted early shipments of lemons to the region. The CGA is working closely with exporters, government and other stakeholders across the citrus value chain to try to mitigate the impact of the conflict on the upcoming season. This includes fruit destined for Russia being blocked, delays in fruit getting to the market as well as further increases in input costs for growers and exporters as a result of the conflict.

Russia accounts for approximately 7 to 10% of total South African citrus exports annually, with 11.2 million (15kg) cartons of fruit having been exported to the country in 2021. Should the current situation continue, which is very limited quantities of fruit being shipped to Russia, when the export season officially kicks off in April next month, other varieties such as grapefruit and soft citrus will also be impacted.

Morocco, Turkey and Egypt all export significant quantities of citrus to Russia. The conflict has impacted the ability of these countries to supply the Russian market, resulting in the diversion of fruit to other markets. The concern is that these markets could suffer from an oversupply and a build-up of stock, which could impact early season South African supplies.

In addition, the depreciation in the rouble will



make imported fruit more expensive, while payments could be difficult due to restrictions on money flows. This increases the risk of exporting to Russia. Although South African exports to Ukraine are still developing, the conflict will also put a hold on exports to that country. Exporters had only just started to build some momentum in direct exports to Ukraine.

This turn of events highlights the importance of access to multiple markets in order to divert fruit when necessary. The CGA has since called on government to redouble their negotiations with trading partners in order to optimise present market access conditions, to retain access where this is threatened and to gain access to new markets.

The CGA remains committed to working with government, exporters and other stakeholders across the value chain to help mitigate the impact of the Russia-Ukraine conflict on the upcoming citrus season. It will take our collective effort to help ensure the continued profitability and sustainability of our local citrus industry, which sustains over 120 000 jobs and generates R30 billion in export revenue for the country, particularly following a tough 2021 season.

Justin Chadwick
CEO of the Citrus Growers' Association
of Southern Africa



CGA-GDC WELCOMES NEW ADDITIONS TO ITS LEADERSHIP

TEAM



Tshililo Ronald Ramabulana,
incoming Chairman of the
CGA-GDC Board



Rajen Govendor, incoming
Director of the CGA-GDC Board



The Citrus Growers' Association of Southern Africa Grower Development Company (CGA-GDC) is delighted to announce two new additions to the CGA-GDC leadership team this year.

Tshililo Ronald Ramabulana has been elected as the new Chairman of the CGA-GDC Board, while Rajen Govendor will be the new Director of the CGA-GDC Board. Ramabulana will be taking over from Dr. Mashaba.

Mr Ramabulana has served 3 years on the CGA-GDC Board, as an Independent Director since 2018. He has many years of experience within the leadership structures of the CGA-GDC and was also the Chairman of the CGA-GDC Remuneration Committee (REMCO). On his election as Chairman, Ramabulana had the following to say:

"I have always asked myself how I define transformation. In search for answers, I looked at the work that Dr. Mashaba led as the previous Chairman for the CGA-GDC. In looking at the milestones achieved during his term, it has become evident to me that transformation is much like a paradox. It is something that is visible, yet the work of Transformation goes unseen. Its results are neat, but the process is messy. It is work that brings comfort, but the process is uncomfortable. And we cannot always measure the incremental

progress that is made, but when we look back, after many years of hard work, we can see visible Transformation trends and results"

He added that "This year we celebrate five years of CGA-GDC operations and it has made notable achievements during this time. The CGA-GDC has seen a 30% increase in the number of black farmers exporting citrus to the rest of the world, while the volumes of tons produced by black farmers has also increased by 40%. This coincides with the annual enterprise development spent by the CGA increasing by over 2000%. This has created an extensively enabling environment that ensures we have the ability to support more black citrus growers wishing to join the industry".

Ramabulana has indicated that in the next five years, the CGA-GDC will increase its focus on new orchard development, the replanting of old orchards, increasing the yield per hectare, while providing on-farm infrastructure to ensure the export readiness of our black citrus growers.

He shares that the CGA-GDC will achieve this by working closely through the partnerships it has established with the CGA Group, members of the Grower Development Chamber, private sector and Government.

The CGA-GDC Board is also pleased to welcome Rajen Govender as the CGA-GDC's new Director. Rajen is an entrepreneur and is the director of a number of personally founded companies. In addition to also serving on the boards of the CGA and RBX Group, he is a qualified Chartered Accountant.

Govender has occupied positions at all levels of management over his career, which has spanned over 30 years. His primary business is in Mobility Insurance Underwriting Managers, a company specialising in Insurance for Public Transport Operators, where he is the Chief Executive Officer.

Rajen shared that "being able to assist the Citrus Industry within its leadership structures is an opportunity of privilege and that I look forward to grasping with both hands".

CELEBRATING

5 YEARS OF CGA-GDC ACHIEVEMENTS



This year the CGA-GDC celebrates 5 years of achievements following its inception in 2016. The organisation has worked hard over this period in order to ensure that the needs of black growers have been properly identified and addressed.

At first, the CGA established the Citrus Growers Development Chamber (CGDC) as a platform for engagement in 2010. Through the CGDC, a situational survey of 118 growers was initiated in 2013, to establish the real needs of emerging farmers, so that a comprehensive response to that need could be determined. Undertaken by the Citrus Academy and Lima, the survey findings highlighted that most growers were found to be in urgent need of dedicated support – support that

the CGA or CGDC were unable to adequately provide.

In light of the situational analysis findings, consultation processes were held between the CGA and CGDC, and it was agreed that a special purpose vehicle needed to be created and capacitated to address the challenges faced by emerging black citrus farmers. This decision resulted in the establishment of the CGA-GDC as a special purpose vehicle through which South Africa's local citrus industry could tackle the challenges faced by black growers, with its prime objective being to make a significant impact on the business development of farms owned by black citrus growers, in order to ensure sustainable transformation within our local citrus industry.



CELEBRATING

5 YEARS OF CGA-GDC ACHIEVEMENTS

Since then, the CGA-GDC has achieved remarkable results towards its strategic goals, which includes:

- The development and implementation of a transformation strategy and support programme for the citrus industry;
- The facilitation of access to technical and business management knowledge and services to develop successful, financially viable enterprises;
- The facilitation of access to national, regional and international markets for black citrus growers; and,
- And an enhanced organizational capacity to ensure service excellence and financial sustainability.

Given these parameters, the CGA-GDC is delighted to share its top 5 achievements over the past 5 years.

The first key deliverable achieved relates to the support the CGA-GDC provides when it comes to the sustainable development of black citrus growers. This has been provided through technical and business support programmes which have assisted 40 black citrus growers with securing the compliance and accreditation that was required to commercialize their produce.

The CGA-GDC has also secured several public-private partnerships which have empowered emerging farmers with 71 expanded hectares for plantation. This has predominantly been rolled out in partnership with provincial (DRDAR-EC) and national government structures through the Land Development Support Programme and the Department of Agriculture.

The third most notable accomplishment can be quantified through the increasing number of black citrus growers who are now exporting their produce to foreign markets. Since 2014, these figures have grown by over 64%. This means that our developing farmers continue to enjoy access to new markets, along with the opportunity to earn in foreign currency.

This would of course not be possible without the interventions provided by the CGA-GDC in partnership with ABSA to empower and develop black growers. This includes programmes aimed at increasing their knowledge base and the provision of training specific to the citrus agricultural field. The CGA-GDC has established 16 study groups in citrus growing regions across the country to help emerging farmers improve the quality of their fruit as efficiently as possible. The study groups have also hosted several information days, where opportunities for increased access to funding are made available to new entrants to the industry.

Lastly, the CGA-GDC has succeeded in its efforts to introduce new technologies to emerging farmers, through its partnership with the University of Pretoria and its Virtual Irrigation Academy (VIA).

One of these VIA programmes has enabled farmers to merge the science of irrigation with their own practical experience in order to reduce water use while increasing food production. The programme provides data that underpins the governance of irrigation to ensure that water is shared fairly and used efficiently.

The VIA has shared an array of useful tools and technologies with emerging growers – one of which is the Wetting Front Detector (WFD), a creative water management tool. This device is buried in the root zone of a plant and is able to record the depth of infiltration of irrigation water. When the water passes the WFD, it captures a small water sample and assists emerging farmers with identifying over-irrigation and water logging. The WFD uses Wi-Fi to feed these results directly to an application of a growers cellular device.

These are just some of the innovative programmes the CGA-GDC has developed with other partners in order to assist black growers to farm more sustainably and in this way, become more competitive and profitable.



REGULATING

THE MICRO-CLIMATES OF ORCHARDS TO IMPROVE ANNUAL RETURNS FOR BLACK CITRUS GROWERS

Most black citrus growers start their farming journey with minimal capital, limited production inputs and very little mechanization to support production. While this still enables them to get their foot in the door, in order to farm sustainably and maximize profits in the long run, growers need to obtain high yields and produce high quality fruit. This becomes very difficult, if black citrus growers do not have access to the tools they in order to farm at a scale where they can commercialize their crops.

One of the most efficient ways to provide emerging farmers with the support they need to reach these production levels lies in the modification of the growing environment with the use of shade netting to regulate the micro-climate of orchards. Shade netting has been proven to have multiple benefits - it reduces the amount of wind and heat stress, reduces water consumption and helps prevent hail damage. Combined together in the long-term, these factors can lead to improved fruit set, quality, size, formation and assists in the production of a higher yield.

The CGA-GDC has assisted and supported several farms with the installation of these crucial assets, one of which is the Willow Tree farm, situated near the town of Addo, in the Eastern Cape.

This is one of five Sikhulasonke farms in the area and is managed by Steri Ndyenga. Willow Tree farm has 102 ha under citrus production. The CGA-

GDC assisted Willow Tree with the installation of shade nets in an effort to help improve the farm's fruit quality.

The farm had started producing citrus with 2.29 ha of Nardocotts - a clementine type of mandarin, in November 2020. Once the shade nets were introduced, Ms Buyiswa Ndyenga noticed a remarkable improvement in her fruit quality, tree growth and fruit size. This has been complemented by the farm's latest crop estimates, which have recently revealed that the netted orchard is producing a higher tonnage in comparison to the other open orchards on the farm. "I am very optimistic that the produce coming out of this orchard will be packed as first class fruit, and with this we will obtain a higher export pack-out percentage" shared Ms Ndyenga.

Another farm that has successfully employed the use of shade netting is the Khangela Citrus Farm, also located in Addo with a total of 250 ha under citrus production. Farm manager Mr Ricardo Stafano has shared that since the farm erected nets in September 2021, they've been able to reduce wind damages to their fruit, allowing for the production of a higher quality variety than in previous years.

The CGA-GDC hopes to continue assisting emerging black citrus farmers with the technical support they need to increase the quality of their fruit and improve the commercial viability of their products in order to secure higher returns in the long run.



LEFT:
Shade netting on
the Khangela
Citrus Farm

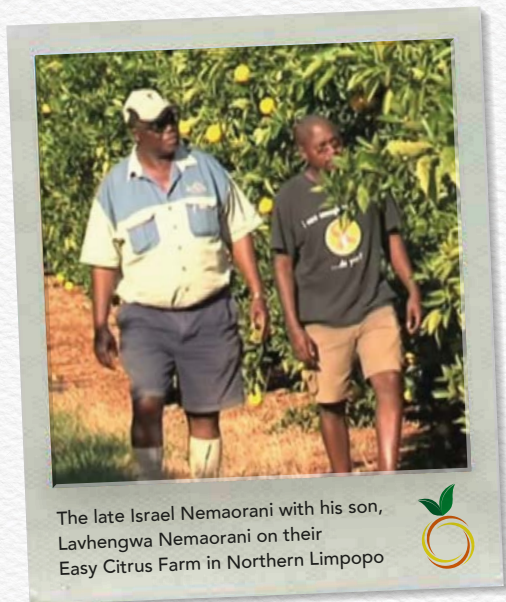
RIGHT:
Improved tree
growth under
shade netting at
Willow Tree
Farm, Addo,
Eastern Cape





LAVHENGWA NEMAORANI BUILDS ON HIS FATHER'S

LEGACY



The late Israel Nemaorani with his son, Lavhengwa Nemaorani on their Easy Citrus Farm in Northern Limpopo



Lavhengwa Nemaorani, a citrus grower based in Limpopo, has set his sights on making his late father, proud, by building on his legacy at the Easy Citrus Farm located on the Southern slopes of the Soutpansberg near Thohoyandou in Northern Limpopo.

Lavhengwa's father, Israel Nemaorani, began producing quality citrus fruit on the Easy Farm in an area where there were few other commercial farmers. In fact, his farm was, and still is the only citrus farm in the district. As an agricultural pioneer, he planted 80 ha of citrus, on land where there was not one citrus tree.

Before his passing in 2019, Israel worked hard to increase his production figures and export more of his fruit to overseas markets. The success of his farming business led to many new opportunities, and he was soon appointed to the CGA Board of Directors. His passion for farming never waned and he served on the CGA board for nearly 10 years.

At 69 years of age, Israel was ready to retire after farming for over 25 years.

Following his passing in 2019, his son, Lavhengwa Nemaorani, has continued in his fathers' footsteps and hopes to build on his father's legacy by helping the Easy Farm reach new heights. He has already expanded his father's orchards with an additional 10 ha of citrus, bringing their citrus producing orchards up to 90 ha in size.

Lavhengwa graduated from the Lowveld College of Agriculture in 2005 and started working with his father on the Easy Farm from 2009. Currently he produces two varieties of oranges, including Navels (Bahianina) and Valencias. He hopes to add another 60 ha of soft citrus in the near future.

"We hit a new milestone in 2018 when our farm produced a yield of more than 152 000 boxes of citrus. This was one of my proudest moments, however, we hope to exceed this number in the near future".



Lavhengwa Nemaorani



Most of Easy Farm's fruit is exported, while the fruit that doesn't qualify for export is sold locally. The amount destined for export each year is determined at harvesting when the grading and sorting takes place.

Lavhengwa hopes to continue building on his father's dream and hard work. His plans for the farm go beyond developing 60 ha under soft citrus. "Once I'm done covering everything here, I plan to look for more land outside the village," he says. He would also like to share his passion for the work he does. "I would like to set an example for the youth, show them that agriculture is the way to go. I want to contribute to the economy by earning foreign currency and creating much-needed jobs".



LAVHENGWA NEMAORANI BUILDS ON HIS FATHER'S

LEGACY

Lastly, Lavhengwa says that the best advice he has ever been given, was from his father: "When I graduated, my dad told me, in whatever field I

wanted to achieve, I should do three things: plan, implement and maintain. I aim to live by this ethos and hope it makes my father proud".



The late Israel Nemaorani at his Easy Citrus Farm in Northern Limpopo