

Boitshoko Ntshabele, 4 April 2025

"It is easier to find men who will volunteer to die than to find those who are willing to endure pain with patience." - Julius Caesar

MARKET ACCESS INITIATIVES IN INDIA AND THE SACU CONTEXT

Wandile Sihlobo, chief economist at Agbiz, reported this week on the removal of import restrictions following their institution some time ago, ostensibly to protect nascent agricultural industries in both Botswana and Namibia. Botswana and Namibia are part of the South African Customs Unions (SACU), that also includes Lesotho and South Africa. This follows a ban by Botswana on South African citrus last year. According to Sihlobo, the bans on imports of agricultural products added uncertainty, weighed on South African businesses and have fueled a sentiment in some quarters that SACU needs a review, especially in the context of South Africa sharing some financial resources with this region.

A CGA team consisting of Boitshoko Ntshabele, Justin Chadwick, and Amy Grundling were part of a broader Fruit SA group in India this past week, working towards increased market access. India's population continues to grow and so do southern Africa's citrus exports to the region. Exports have reached the 30 000 tonne mark, and with the conclusion of a market development agreement and implementation of targeted marketing initiatives, more growth and wider market access is possible to diversify risk from headwinds faced in traditional markets. The South African High Commission was also engaged. They were implored to co-operate with Indian counterparts to expedite solutions to market access challenges. The Fruit SA visit follows the recently reported welcoming of the first consignment of South African lemons to India for 2025. Amy will also attend the Fresh Produce India trade fair.

The SACU issue becomes relevant as some reports have suggested that SA faces some hinderances in international trade negotiations as a result of its membership of SACU. Some have questioned the value that South Africa derives from this customs union. However, Sihlobo states, "While South Africa's agriculture has experienced some challenges recently, the country continues to benefit from the free trade area. For example, Trade Map data show that the SACU region accounted for about 19% of South Africa's agricultural exports of US\$13,7 billion in 2024. This equals the same value as South Africa's agricultural exports to the EU. The only difference between the EU and SACU is the products in the export basket. The EU imports more fruits and wines, while the SACU basket mainly imports staple grains, vegetables, and beverages."

Another topic discussed in India while meeting with the Indian Ministry of Agriculture, was the review of import conditions to include the option of in-transit cold treatment. After two trial containers were successfully discharged in 2024, the Indian authorities are in the final stages of permitting cold treatment to be conducted in transit.

LOSKOP VALLEY RAIL TRANSPORT RFQ (Mitchell Brooke)

On 14 January, the CGA coordinated a meeting with prominent citrus producers in the Loskop Valley to discuss the future state of rail transport for the region. The Loskop Valley has been identified as a region with particularly favourable conditions to upscale rail transportation to a formidable level. The Board Directors for the region (Charles Rossouw and Piet Engelbrecht) requested a suitable consulting firm be brought in to evaluate all potential for rail transport development. The imminent involvement of the private sector in SA's rail network offers an opportunity for a sustainable, cost effective and efficient approach to how producers in the region can collaborate on working with rail partners. If successful, the Loskop Valley region's future rail activities can be a catalyst in attracting large scale rail reform to the Northern growing regions. The Request for Quotations can be found at the following link: <https://www.cga.co.za/wp-content/uploads/2025/01/CGA-Loskop-Valley-Rail-Transport-RFQ-March-2025.pdf>

NEW CGA DIRECTORS

A hearty welcome to new directors to the Board, Diederik Fourie (Burgersfort/Ohrigstad region) who will be taking over from Smit le Roux, and Riaan van Zyl (Oranje Rivier region) who will be taking over from Marius Bester. We wish them well in the assumption of their directorship at the CGA.