



# CHAIRMAN'S REPORT 2022



**Clive Garrett**

I would like to pay my respects to the previous Chairman of SAAGA, Sizwe Magagula, who passed away soon after I took over from him. The industry also lost one of its stalwarts in 2021, Dr André Ernst. COVID has certainly not been kind to the industry in terms of human capital lost.

**U**nfortunately, the large crop we were all hoping for this year once again appears to be smaller than initial expectations due to early season hail. With the increased plantings in the country and the good rains we have received, we were looking forward to a bumper crop. The expectation is now an export crop of 15,5 m cartons - very close to last year's crop.

In terms of SAAGA's strategic objectives, market access remains our number one priority. I share the industry's frustration in that we have not yet opened any new markets. If it were only up to SAAGA we would have opened the world to SA avocados. What SAAGA has done and continues to do is work very closely with the Department of Agriculture, Land Reform and Rural Development (DALRRD), supplying the necessary technical assistance and putting enough pressure on the authorities to keep things moving.

Pears have been granted access to China and avocados are next in line. Japan's officials planned a virtual visit in April to May 2022 to verify the cold treatment research for *Bactrocera dorsalis*. The Indian authorities planned a physical visit in June or July 2022.

We are seeing some progress. Ultimately opening markets is the responsibility of governments, as it involves bilateral trade negotiations. These simply cannot be carried out by SAAGA. A good case in point remains the USA where the issue of pork imports into South Africa is currently hampering avocado exports to the USA.

SAAGA is also working very closely with Fruit SA's market access specialist, Dr Mono Mashaba, in driving our applications. Dr Mashaba was the previous agricultural attaché to China and understands the inner workings of the DALRRD. The previous Chairman, the Subtrop CEO and I met with the Minister of Agriculture early in 2021 to explain the necessity of market access for avocados. We are therefore driving market access on all fronts.

SAAGA's finances are healthy and will be used without hesitation to help secure market access.

We have invested the funds of SAAGA judiciously as we are working with our members' money. Regarding the suggestion at last year's AGM that we invest in bitcoin, we approached several financial advisors. The advice we received was that this was an extremely risky investment and not something that should be undertaken with members' funds. The bitcoin price has subsequently fallen by 8,74% after a wild ride.

SAAGA has decided to bid to host the 2027 World Avocado Congress. A committee has been established to drive the process and early indications are that the Department of Tourism will come on board.

We have continued with our transformation initiatives to help smallholder farmers with the establishment of avocado orchards. SAAGA will also continue to support RecruitAgri as an industry partner for another year.

Our local market development has continued unabated. The local market remains an important market for South African producers, and we have, as agreed at the previous AGM, spent more money on promoting avocados in South Africa. Approximately 15% of SAAGA's budget is now spent on raising consumer awareness and increasing the demand for avocados in South Africa. In depth consumer research on how, why and when South Africans eat avocados was carried out to put together a focussed promotional and awareness campaign.

SAAGA has continued to invest in technical research to ensure that the avocado industry in South Africa remains one of the leading avocado industries worldwide. We may not be producing the volumes of some other countries, but our technical capabilities are up there with the best.

Thank you to the Board of SAAGA who all give of their time voluntarily to ensure that the avocado industry in South Africa remains robust and an exciting place to be. Thank you also to Derek Donkin and the staff of Subtrop for their commitment and dedication.

*Clive Garrett*

