



## Chairman's report 2002/03

Like any business in the agricultural sector there are always ups and downs. The South African mango industry is no different. In general this immediate past season was slightly better in some sectors than previous seasons, in others much worse but this can be offset against better returns.

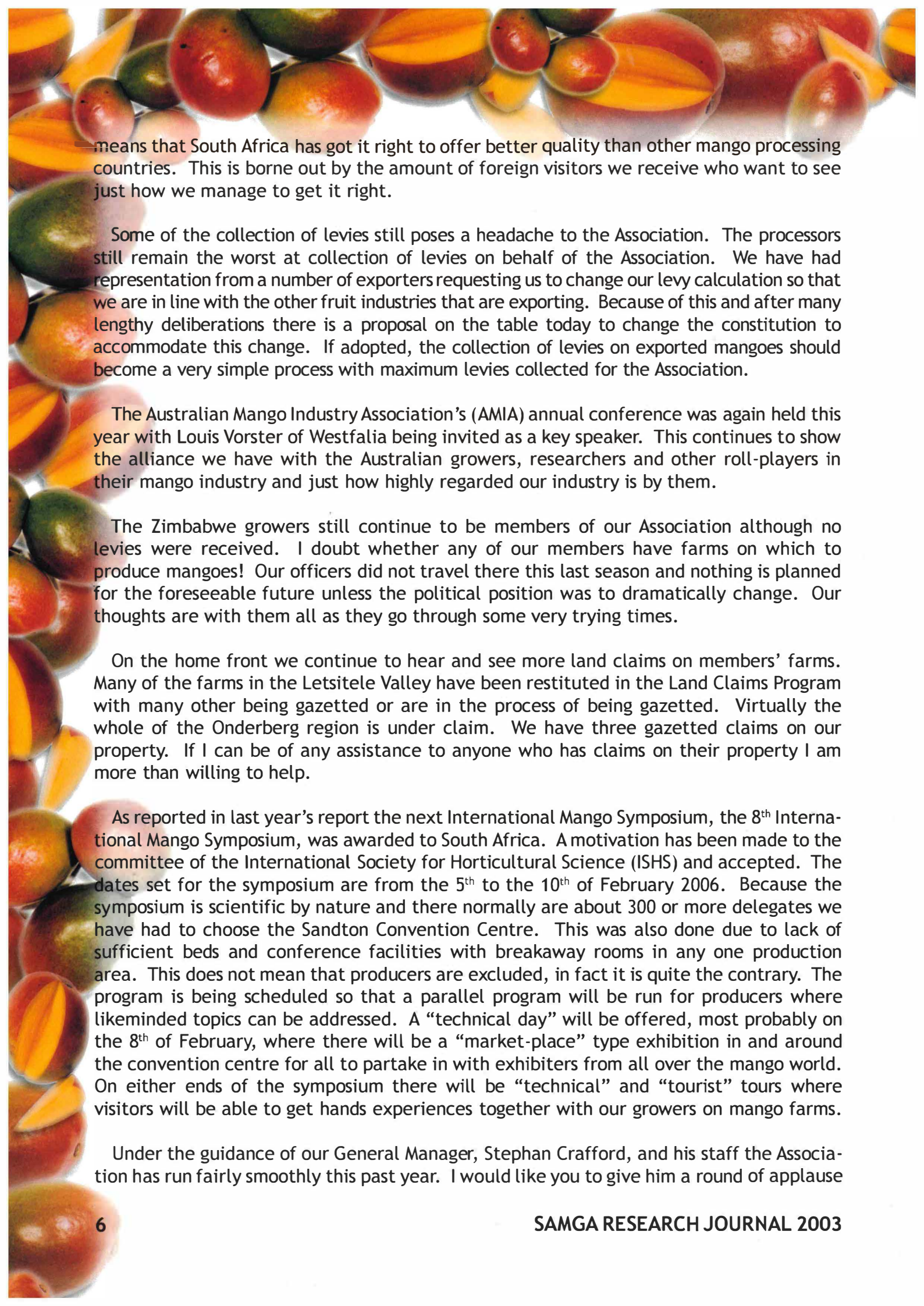
This last season's figures reflect as follows:

- Total production went from 85 045 tons to 66 776 tons - a drop of 21,5%.  
Price went from R2 071/ton up to R2 436/ton - an increase of 17,6%.
- Dried mango went from 5 271 tons to 6 090 tons - an increase of 15,5%.  
Price went from R1 000 to R1 350/per ton - an increase of 35%.
- Achar went from 23 561 tons to 15 025 - a decrease of 36,23%.  
Price also decreased from R 600 to R500/ton. Stocks were depleted and starting prices this season range between R700 and R1 000/ton.
- Juice went from 15 153 tons to 11 761 tons - a drop of 22,4%.  
Prices did increase from R900 to R1 200 - an increase of 33%.
- Local market went from 24 209 tons to 16 564 tons - a drop of 31,6%.  
Prices increased from R10.56 to R14.70 - an increase of 39,2%.
- Exports went up from 16,851 tons to 17,336 tons - an increase of 2.9% or 120,000 cartons while the return dropped by 10.37% to R 16.60.

According to the figures available to SAMGA a better price of R14.70 per carton (than R10.56) for local market was achieved while fruit for export came down by nearly R2.00 to R16.60. The lower export price can be attributed to a temporary oversupply of export fruit and the fact that less internally immature fruit was dumped on the local markets.

It is very pleasing to note the rise in local market returns as this means that the Local Market Agents are starting to tell their producers the correct story and the buyers realise that in the past they have been hoodwinked by the handful of unscrupulous producers and agents. Some of these producers, who are both members and non-members, continue to insist on offering this fruit for sale on the national fresh produce markets and in the chain stores. This fruit again did immense harm to the local market pricing of mangoes. Production was down by 7 645 tons, or 1 911 000 cartons, which should have returned prices of in excess of R18.00/carton.

Because of the shorter crop on the local market, producers were able to get better prices at the factory door. This is highlighted by the jump in price by 35% for dried mango and 33% for juice fruit. The tonnage of fruit offered for drying continues to rise (by 820 tons) which shows the strong commitment that producers and factories have to value adding. This can only bode well for them that export these products with the weaker Rand (than other currencies) and with more health conscious consumers overseas. It also



means that South Africa has got it right to offer better quality than other mango processing countries. This is borne out by the amount of foreign visitors we receive who want to see just how we manage to get it right.

Some of the collection of levies still poses a headache to the Association. The processors still remain the worst at collection of levies on behalf of the Association. We have had representation from a number of exporters requesting us to change our levy calculation so that we are in line with the other fruit industries that are exporting. Because of this and after many lengthy deliberations there is a proposal on the table today to change the constitution to accommodate this change. If adopted, the collection of levies on exported mangoes should become a very simple process with maximum levies collected for the Association.

The Australian Mango Industry Association's (AMIA) annual conference was again held this year with Louis Vorster of Westfalia being invited as a key speaker. This continues to show the alliance we have with the Australian growers, researchers and other roll-players in their mango industry and just how highly regarded our industry is by them.

The Zimbabwe growers still continue to be members of our Association although no levies were received. I doubt whether any of our members have farms on which to produce mangoes! Our officers did not travel there this last season and nothing is planned for the foreseeable future unless the political position was to dramatically change. Our thoughts are with them all as they go through some very trying times.

On the home front we continue to hear and see more land claims on members' farms. Many of the farms in the Letsitele Valley have been restituted in the Land Claims Program with many other being gazetted or are in the process of being gazetted. Virtually the whole of the Onderberg region is under claim. We have three gazetted claims on our property. If I can be of any assistance to anyone who has claims on their property I am more than willing to help.

As reported in last year's report the next International Mango Symposium, the 8<sup>th</sup> International Mango Symposium, was awarded to South Africa. A motivation has been made to the committee of the International Society for Horticultural Science (ISHS) and accepted. The dates set for the symposium are from the 5<sup>th</sup> to the 10<sup>th</sup> of February 2006. Because the symposium is scientific by nature and there normally are about 300 or more delegates we have had to choose the Sandton Convention Centre. This was also done due to lack of sufficient beds and conference facilities with breakaway rooms in any one production area. This does not mean that producers are excluded, in fact it is quite the contrary. The program is being scheduled so that a parallel program will be run for producers where likeminded topics can be addressed. A "technical day" will be offered, most probably on the 8<sup>th</sup> of February, where there will be a "market-place" type exhibition in and around the convention centre for all to partake in with exhibitors from all over the mango world. On either ends of the symposium there will be "technical" and "tourist" tours where visitors will be able to get hands experiences together with our growers on mango farms.

Under the guidance of our General Manager, Stephan Crafford, and his staff the Association has run fairly smoothly this past year. I would like you to give him a round of applause



for the sterling work he has done.

I would also like to make special mention of the other staff members who themselves continue to put in more than their fair share to make this Association the success it is.

They are:

Sonja van Zyl, General Secretary in the front office;

Christa Scholtz, who handles exports, general administration and promotions;

Harry Grové, Technical Officer who also helped with accreditation and food safety, together with

David Kruger, who did local market assessments;

Richard Nelson, Overseas Technical Officer.

We also appointed Regina Cronje for a 12 month period to assist Harry. Regina is a post-graduate student from Bonn University in Germany who qualified in General Agriculture and who has specialised in Agricultural Science / Production.

During this past year a 2-day training session was held in Venda for emerging and other mango growers. The National Department of Agriculture funded this.

Numerous strategic planning sessions have been held at Subtrop level where we are looking to combine certain of the functions offered by the associate members of Subtrop in order to streamline the services offered to the grower and to offer more than at present. One area we are looking at to give as a service to the growers is volume co-ordination. Initially this will be done this season on export volumes and can later be expanded to local markets. The model used by the SA Avocado Growers' Association will be used and revised to suit the mango industry. Contact has already been made with Brazil, Peru, Ecuador, Puerto Rico and Mexico.

To date six mango "specialists" have visited Egypt under the agreement I signed in June last year. The next event scheduled in this program is a visit to us in early December by the Egyptians, possibly together with some of their growers. This program continues to bring in funds for the Association.

The Association renders the administration, some extension and research co-ordination for SA Litchi Growers' Association. This brings in additional income to our Association and helps to pay for the appointment of Regina Cronje.

I again would like to thank all the members, especially the Management Committee, for their dedication to this Association and for the many hours spent on mango business and on the road. I would like to say a special thanks to the Executive Committee members who put in many hours, days and kilometres to make this Association run so smoothly.

It only remains for me to say that the forthcoming season looks promising, for those that have been able to irrigate, and that I wish you all a very prosperous and fruitful crop.

**Richard Elphick**

**Chairman: SAMGA 2002/03**