



# CHAIRMAN'S REPORT 2020

I am happy to say that the Association is in good shape. The current financial position is geared for growth. This is largely due to the positive financial returns that growers have seen over the past few years, enabling members to plant more trees.

The avocado industry remains united and collaborative to position South Africa as a strategic global supplier of avocados.

**M**y predecessor Athol Currie's chairmanship focused among others on ensuring a smoother transition resulting from the SAMAC breakaway. This included organisational redesign, retention of critical skills during the uncertain period and developing clear strategic objectives for the Association – this has been achieved. The organisation is now stable – and we thank Athol for his leadership.

The increased volume and planned expansions simply mean that we can no longer rely on the European market for offtake. The pressure to open new markets to mitigate this risk of a single market is thus mounting, and as a result SAAGA is deploying more resources to improve government relations and align market access activities at Fruit South Africa level with national government. We have seen marked improvements in these collaborative efforts between industry and government, and the results are starting to trickle in.

The Minister of Agriculture, Land Reform and Rural Development (DALRRD), Ms Thoko Didiza, and President Cyril Ramaphosa are now well aware of the industry's efforts to gain market access and they are supportive of these efforts. A market access meeting was held with Minister Didiza, which resulted in Fruit South Africa being invited to accompany the President to Japan. SAAGA was represented by Derek Donkin. We are now ever so close to gaining access to India and Japan. China should follow suit after pears have gained access, a process which we believe will be concluded in 2020.

As we grow, it is our drive to ensure an inclusive industry. It is for that reason that we invest in the

development of emerging growers, the majority of whom are black. We are partnering with organisations in the land reform and transformation space to support emerging growers with an objective to move them to commercial status. We have thus significantly increased the transformation budget for 2020 to set up a structure for an emerging grower programme, with further investment in 2021 for a full roll-out of this programme. The provincial government is keen on coming aboard this partnership.

On the administrative side, I am happy to say that we have a solid team in the Subtrop office, looking after the financials, research and transformation. The recent appointment of the Transformation officer, Stephen Mantsho, completes the resourcing process and allows the team to deliver on the strategic objectives.

There is renewed energy in the Board to drive the critical aspects of Market access and Transformation. Research is seen as the backbone to achieving all of these goals, and for that reason we are increasing investment in research projects to protect the current market, to support market access and to ensure that SAAGA is innovative and can compete technically with other origins.

I am confident that SAAGA will grow stronger in the coming years to contribute significantly to the country's growth plans, to increase employment and create an inclusive economy.

*Sizwe Magagula*