

Federal Register Docket Number: USTR-2019-0020

Title: South Africa Country Practice Review – Intellectual Property Rights

From: Citrus Growers Association of Southern Africa (CGA)

President: Justin Chadwick and Executive Officer Deon Joubert

Introduction: The African Growth & Opportunity Act (AGOA) has been of huge economic and social benefit to the Citrus Growers Association of Southern Africa (CGA). The U.S. Congress enacted AGOA in May 2000 that provides trade preferences for quota and duty-free entry into the United States for South African citrus exports where these benefits were greatly expanded beyond the Generalized System of Preferences (GSP) program. The Citrus Growers Association of Southern Africa (CGA) represents over 2,300 growers with 77,750 hectares currently under production that are cultivated throughout all the major geographic areas of the country.

The CGA continues to work very hard in coordination with the democratically elected government of South Africa to promote new job creation, racial and gender equality and an improvement in social-economic equality for all involved in the citrus industry. Although, far from perfect, this fledgling 25-year old democracy continues to remain a beacon of hope on the African Continent as a way forward towards equality for all citizens.

The current CGA position is to oppose any efforts by USTR to suspend AGOA and/or GSP protections currently in place that are threatened by the USTR-2019-0020. The CGA has little subject matter expertise regarding intellectual property rights (IP) protection but believes other options should be pursued as the first alternative. In this case, the CGA would advocate that USTR raise this issue directly with the newly elected President of South Africa. The President has the ultimate authority to influence and/or veto any pending IP legislation through the Parliament.

The loss of AGOA and/or GSP benefits would severely damage a critical industry that provides enormous benefit to many rural, urban and some of the most economically vulnerable citizens in the country.

Citrus Growers Association - Social & Economic Benefits:

- The CGA represents over 2,300 farmers with 77,550 hectares or 191,548 acres under commercial production.
 - Citrus is produced throughout the country, especially in rural areas that have high-levels of unemployment and poverty.
- The citrus industry currently employs over 100,000 South Africans including the partnerships established and fostered with small-scale or developing farmers.

- The industry recently added 10,000 new jobs throughout the supply chain including orchards, packing houses, transport and port-handling.
- The Department of Agriculture estimates that for every 10 million boxes of fruit produced, approximately 10,000 new, permanent jobs are created.
- The South African National Development Plan has identified an additional 1 million jobs that can be created by 2030 which includes employment in 'up and downstream' industries related directly to or supporting citrus production.
- South African citrus exports are projected to grow by 15-20% in the next 3 years.
 - In 2019, the GGA exported a record crop close to 137 million boxes.
 - Citrus exports to the United States rank 3rd behind the European Union and China.
 - South Africa is a top citrus exporter to the U.S. along with Mexico, Chile and Australia.
- The CGA plays a vital role in supporting its black grower constituents by working with the Department of Agriculture, the Department of Rural Development Reform and the Land Bank to expand opportunities for funding and land ownership.
 - Black and women farmers and employees have steadily increased in the workforce during the last several years.
 - The CGA promotes job training and other agricultural related educational opportunities for students in under-developed, rural areas through a number of extension courses.

Summary: As a result, the CGA dutifully requests that USTR not implement any action that would cripple or remove AGOA and/or GSP benefits that are so crucial to the South African economy. The loss of AGOA and/or GSP assistance would severely damage a critical industry that provides great advantages to a significant number of rural and urban South Africans, especially in some of the most vulnerable and poverty-stricken areas of the country.

