

CITRUS SUMMIT CHARTS WAY THROUGH UNCERTAIN TIMES

Media Statement by the Citrus Growers' Association of Southern Africa

14 March 2025

While the South African citrus industry is facing uncertain times, its immense growth trajectory is assured if market access opportunities are seized and logistics challenges are addressed with urgency. This was one of the clear messages coming out of the 5th Citrus Summit, hosted by the Citrus Growers' Association of Southern Africa (CGA), which brought together the entire citrus industry in Gqeberha from 11 - 13 March.

The Summit's keynote address was delivered by the Minister of Agriculture, John Steenhuisen. "South Africa's citrus industry is one of the success stories of our country," he said, noting that "it created countless jobs in our rural communities - where we need them most."

The industry exports fruit to the USA under the American Growth and Opportunity Act (AGOA). Steenhuisen said AGOA's potential elimination puts thousands of jobs at risk and could have a domino effect throughout the citrus value chain. "I urge all stakeholders to prioritise the renewal of AGOA, or at least trade tariffs and agreements that will allow us to keep our excellent citrus products flowing to the markets that love them so much." At the same time, Steenhuisen highlighted the urgent need to explore and develop new markets, particularly in Asia, the Middle East and India.

The incoming CEO of the CGA, Dr Boitshoko Ntshabele, underscored the industry's potential. "Increased market access is crucial. Projections show the industry can create 100 000 jobs by 2032. It can do this through increasing exports with roughly 95 million 15kg cartons to a total of 260 million cartons," he said.

Michelle Phillips, the Group Chief Executive Officer of Transnet, addressed the delegates on the progress Transnet has made on increasing the efficiency of the rail system and the ports. "The rail network is now open for private train operators," she said, also referencing increased public sector participation in the wider logistics landscape. "We will see the system become more competitive." Phillips also emphasised the urgency of improvements: "This season has to work better than last year."

Quantifying the progress at the ports, Phillips reported equipment acquisitions in the 2024/2025 year of R3.4 billion across eight terminals, and a planned R4 billion across five terminals in 2025/2026.

Logistics expert, Thomas Eskesen, reminded delegates that port inefficiency comes at a real cost. In his opinion, the recent study by the Bureau for Food and Agricultural Policy (BFAP) that found the total cost of inefficient logistics to the citrus industry amounted to R5.27 billion per year, was "highly underestimated".

Eric Imbert, a lead researcher from the French agricultural research centre CIRAD, pointed out that South Africa's citrus industry has the potential to rise to the current challenging trading environment: "South Africa has a relatively diversified market, innovative research capability, a large and fast evolving variety range, and a strong industry organisation with significant capacity."

Technological change was also a theme at the Summit. Anya Jaworksi, Business Intelligence Manager at fruit producer SAFRESCO, showcased how artificial intelligence can be used to track citrus supply to Europe. Through a detailed tracking model, seasonal predictions can help avoid imbalances in supply and demand.

"When times are in flux, a comprehensive summit that brings together all stakeholders, is not just beneficial, it's essential. We navigate the hurdles together," said Justin Chadwick, outgoing CEO, who has led the CGA for 25 years.

Dr Ntshabele reiterated the need for collaboration in times of change. "Citrus is South Africa's biggest agricultural export industry. It can be a driver of massive economic growth and rural development. But for this to happen, everybody along the supply chain - whether they are in the orchard, or at the port, or in the boardroom - must be aligned. With this in mind, we look forward to starting the 2025 season."

Photos available on request.

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