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Risk management plan essential ahead of citrus season – CGA

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CGA CEO, Justin Chadwick. Source: Photo by Eugene Goddard

With the citrus season set to begin in earnest next week, concerns are rising about the country's current export capability during lockdown.

South Africa is expecting a bumper citrus season this year, with a record 143.3 million cartons of fruit expected to be exported to over 100 countries. This would be a 13% increase on 2019 when 126.7 million cartons were exported.

According to the Citrus Growers' Association (CGA), the growth is largely as a result of new orchards coming into production and good rains across some regions. Citrus plantings across the country have increased significantly - particularly in the Western Cape where vineyards have been increasingly replaced with citrus.

But the country's ability to export these large quantities of fruit during the current lockdown remains in question.

"Supply chains are going to become stretched as harvesting and packing ramp up," said CGA CEO Justin Chadwick. "The present 30% work rate by Transnet is causing considerable problems at the ports. Some changes have been introduced at Transnet

and what they are permitted to do – hopefully this will resolve the present congestion and undue dwell times.”

But, he said, it was a good idea for all farming businesses to develop a risk management plan for the next few weeks.

Chadwick said while the lockdown was due to end on April 16, it was prudent to start planning for April 17 and beyond as it was “highly unlikely that all restrictions were going to be removed”.

He believes there are three future scenarios. In scenario 1 the curve is flattened, government is satisfied that it has broken the back of the virus spread and restrictions go back to pre-lockdown; scenario 2 where some of the measures have taken effect and the curve begins to flatten, but the lockdown continues, albeit with eased restrictions; and scenario 3 where, if the measures are not working and cases increase, government imposes draconian measures to stop the rout.

In Chadwick’s view, scenario 1 is highly unlikely, which is why producers should be developing risk management plans with scenarios 2 and 3 in mind.

The CGA has been reported as saying that unless capacity at the ports is ramped up significantly it will not be able to move the large quantities of fruit. It continues to work with government in order to get more berths opened up at the Ports of Durban and Cape Town in particular, for citrus exports in the coming week

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