

South Africa: Eastern Cape citrus exports need intense efforts to improve logistics

The Eastern Cape is South Africa's biggest lemon producer, exporting more lemons than the US, Brazil, Egypt or Italy. South Africa itself is the world's second largest exporter of citrus fruit, with about 65%, or 2.25m tons, of the crop of lemons, limes, oranges, grapefruit and soft citrus destined for international markets.

Citrus exports have grown by more than 40% in the past decade to about R20bn annually and this trajectory is set to continue — the Citrus Growers' Association (CGA) forecasts an increase from the current 150m 15kg cartons per year to 200m in the next five years, and 255m by 2030.

The coming expansion in citrus production has the potential to create new jobs throughout the entire value chain. Forecasts range from 5,500 to 11,800 permanent jobs, and 15,000 to 25,000 temporary or seasonal, and up to 58,000 upstream and downstream from the orchards.

Logistical problems

Despite all this and in common with ports all around the world, South African ports are congested and under-equipped; freight costs are rising; there is a chronic lack of shipping containers to pack fruit into; and, despite major investments at Addo and in the ports, cold storage facilities are pressured for space.

The reasons are complex, and both local and global, and no one role-player can fix the situation. There is the global Covid-19 pandemic, weather affecting port operations, the effect of the July unrest and the cyberattack on Transnet's IT network. Then there is the US's stimulus of consumer demand to kick-start their economy, leading to huge demand for sea freight from east to west, and a lack of capacity on the routes we need to the Middle and Far East.

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[R100 = €5.70]

Source: [heraldive.co.za](https://www.heraldive.co.za/opinion/2021-08-25-sa-and-eastern-cape-citrus-exports-flourishing-but-collaborative-efforts-needed-to-improve-infrastructure-logistics/) (<https://www.heraldive.co.za/opinion/2021-08-25-sa-and-eastern-cape-citrus-exports-flourishing-but-collaborative-efforts-needed-to-improve-infrastructure-logistics/>).

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