

High global demand and elevated prices bode well for South African exports

The stage is set for another record export year for agricultural products. International demand remains good and prices for its major export products continue to be high. The year started off on a high note when South Africa recorded an agricultural trade surplus of \$1.5 billion and the second largest export earnings on record of \$10.2bn in the first quarter.

According to Dawie Maree, Head of Information and Marketing at FNB Agriculture, the outlook for the rest of the year remains favourable. The weather came to the party and allowed for an excellent agriculture season which saw record crops across most commodities with the grain and oilseed crop topping 17.07 million tons which is almost 2% higher year-on-year.

“The country’s production capacity for export products is quite robust. We expect that we will once again see record exports for our citrus products this year.” Maree says initial export figures for oranges up to the end of June were on an upward trajectory. Growth in exports to Africa, Asia and the Middle East rocketed by almost 30%. Total orange exports at the start of the season increased by 2% to 10.8 million cartons (15kg cartons).

Soft citrus, also referred to as “easy peelers” such as tangerines and clementines, recorded a 12% growth year-on-year. This represents exports of 9.84 million cartons. Our third largest market for soft citrus is the Middle-East with a market share of 14%. Exports in that market grew 61% year-to-date.

Logistical issues have impacted initial export volumes for the year negatively. Maree says the unavailability of containers for exports resulted in delays in shipments. However, the delays were not only limited to SA; it was a global issue. This coupled with the unrest in KZN and Transnet’s IT problems put the export of citrus on the back foot, but it seems as if it recovered from the initial setbacks.

Source: [farmersreviewafrica.com](https://farmersreviewafrica.com/agricultural-exports-set-to-reach-record-levels/) (<https://farmersreviewafrica.com/agricultural-exports-set-to-reach-record-levels/>).

Publication date: Tue 7 Sep 2021

