



Outlook on citrus exports to the US

South Africa ready to serve the world's most demanding market

South Africa is gearing up for a new citrus season. "We are entering the 25th year of shipping citrus to the United States," says Suhanra Conradie with Summer Citrus from South Africa (SCSA). At the start of the program in 1999, about 40,000 cartons were shipped to the US market and last year, that number amounted to 6.7 million cartons.

"Our main goal has always been to sustain gradual growth," said Conradie. "However, the real growth started in 2020 as the pandemic made consumers more aware of the importance of a vitamin-rich diet to build immunity." In addition, production of easy peelers like clementines and mandarins has witnessed an increase more recently. Due to a combination of increased supplies and larger demand, the program has grown almost 2.5 times since 2019.



Volume estimate

While the program has shown significant growth in the past three years, Conradie is cautious about this year's shipping volumes due to challenges in the supply chain. "Inflation is huge, supply chain and production costs have increased, and it's just harder to be financially sustainable," she said. Furthermore, South Africa has an additional challenge of load shedding. "The energy crisis has been going on since 2011 and while it was less of an issue during the pandemic, it has become worse over the past two years." Growers have contingency plans in place that include the use of generators, solar panels, and windmills, but these backup options result in extra costs.

Taking today's challenges into account, Conradie estimates +/- 100,000 pallets of citrus will be exported to the US this season, which would be a slight decrease from last year. "The US is an important market for South African growers, but it requires a sophisticated supply chain to execute these types of volumes.

Therefore, we feel comfortable with a slight downward estimate for this season."

South African citrus will enter the US market with limited volumes towards the 3rd week of May. From then onwards, volumes will gradually increase until the end of June before they reach peak levels. Clementines will be the first category to arrive in the US market.



Importance of conventional vessels and containers

Both conventional vessels and containers are used to ship citrus fruit from South Africa to the US. "We need both options to successfully execute this challenging program," mentioned Conradie. Last year, a record of 17 conventional vessels made it to Philadelphia, PA and the beauty of dedicated conventional vessels is the flexibility they offer. "The timing and availability of the fruit, combined with the demand of the market, determine the loading and arrivals. Working directly with the shipping lines allows us to take control over our total supply chain."

While a record number of conventional vessels made their way over last year, the situation wasn't as bright for container shipments. "There was no container port call into Philadelphia last season, which made the execution of the program extremely challenging," said Conradie. On a positive note, Conradie is confident that container shipments into Philadelphia will get back on track this year. "A combination of conventional vessels and container shipments will ensure long-term sustainable shipping options into the US."

Differentiate

"We differentiate ourselves from other programs through the information we share with our service providers." Data on shipped volumes and weekly predicted movement of fruit allows exporters and importers to manage their programs to the US effectively. To stay in touch with Summer Citrus from South Africa, sign up for the trade newsletter [here](https://www.summercitrus.com/trade-newsletter/) (<https://www.summercitrus.com/trade-newsletter/>). "Due to great collaboration between all service providers, we have created a sophisticated supply chain situation and are able to base our supply on the demand of the market. As a result, retailers can rely on sufficient supplies throughout the season. Even when things around the world were disrupted, we continued shipping in a disciplined way."



Patrick Kelly, Suhanra Conradie, and Megan Zweig. Photo credit: Jihoon Kim of Creative Vibe Only.

Viva Fresh Expo

Conradie just returned from a visit to the United States where she attended Viva Fresh Expo in Texas. "It was perfect timing to meet with our US service providers and discuss the upcoming season," she said. "Summer Citrus from South Africa is a program that retailers can count on during the summer months to supply fruit consistently and delight their shoppers," said Megan Zweig with DMA Solutions. "Not only is the product quality excellent and the flavor very sweet, the SCSA network of import partners are eager to secure volumes coming from South Africa

to the US from late May until October.” Patrick Kelly of The Produce Industry Podcast added “with Summer Citrus on the horizon and the expectations from consumers demanding it year after year, I can’t wait to see citrus hit the stores of the US this summer. Looking forward to a tasty treat.”

“We are getting ready to serve the world’s most demanding market and celebrate the 25th season of shipping citrus to the US,” finished Conradie.



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