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Fix SA's rail network urgently, citrus growers urge Gordhan

22 May 2023 - by Lyse Comins

Source: Fresh Fruit Portal

South Africa's citrus industry has urged Public Enterprises Minister Pravin Gordhan to urgently fix the country's rail network to boost exports of the fruit which is in demand globally.

SA Citrus Growers Association CEO Justin Chadwick urged Gordhan to announce a turnaround plan during his budget speech in Parliament tomorrow to fix the current freight rail network crisis that is threatening the future growth of the sector and the 130 000 jobs it sustains. The country's citrus industry generates approximately R30 billion in export revenue annually.

"Currently, large parts of the rail network are inoperable because of cable theft and a shortage of locomotives and rolling stock," Chadwick said.

"An optimally operating rail system has been identified as a key enabler to achieve the CGA's vision of exporting 260 million cartons of citrus by 2032, which could sustain 100 000 new jobs and bring in an additional R20bn in export revenue annually," he said.

However, currently 95% of fruit is transported to ports via trucks – only 3 000 containers out of a potential 100 000 were transported by rail to Durban due to inoperable rail lines in 2022.

Many roads in provinces are in a poor state or not fit for purpose, with potholes causing damage to citrus fruit, posing a safety risk for drivers and causing major congestion outside ports. As a result, he said citrus growers were "extremely keen to transport their citrus via rail instead", with farmers in Newcastle and the Eastern Cape recently opting to rail their fruit to Durban port.

However, cable theft resulted in containers of citrus being stranded for nine days, impacting the quality of the fruit destined for overseas markets and forcing the growers to return to trucks.

"The current situation is set to worsen due to the expected major increase in trucks travelling from citrus regions to the ports over the next four years. It is projected an additional 750 trucks of fruit per week will be added to roads in the northern regions by 2027, 450 trucks in the Eastern Cape region, and 300 trucks per week to roads in the Western and Northern Cape regions," Chadwick said.

"This will add significant pressure on an already distressed road network. This unsustainable situation threatens the ability of the industry to attain its growth projections over the next few years, which is why it is critical that national government urgently rolls out a turnaround strategy to fix the national rail network," he said.

He added that the sector welcomed Transnet CEO Portia Derby's recent announcement regarding the state-owned entity's procurement processes to return out-of-service locomotives to its operating fleet; the development of mothballed and underutilised rail terminals in the Northern and Western Cape; and its move to seek private operators to run the container corridor from City Deep to Durban port.

However, he said the sector also needed urgent plans to safeguard the rail network against cable theft so growers could begin to use its services.

"We call on Minister Gordhan to use his budget speech tomorrow to showcase national government's commitment to fixing the rail network over the immediate, medium and long term," Chadwick said.