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CGA welcomes support from shipping company to boost citrus exports

8TH FEBRUARY 2024 BY: [MARLENY ARNOLDI](#) - DEPUTY EDITOR ONLINE



The
Citrus
Growers
Association of
Southern
Africa (CGA)
has welcomed
the

announcement that global liner shipping company Hapag-Lloyd will be helping to export citrus from the ports in Durban and Gqeberha.

The new service will run by the end of May, in time for the bulk of the 2024 season's citrus, until September.

Hapag-Lloyd's entry is a direct result of an advisory project launched by a number of fresh produce associations, including CGA, in 2022.

In the same year, a study by the Bureau for Food and Agricultural Policy found that four out of five citrus growers made a loss, with high shipping rates being a major contributing factor to the decrease in profitability.

The CGA's role in facilitating Hapag-Lloyd's entry into the market was undertaken with the aim of increasing both capacity and competition, to ensure long-term sustainability for the sector.

Recent shipping price spikes owing to attacks on vessels in the Red Sea, as well as drought-related complications affecting the Panama Canal, have shown how exposed many fruit exporters are to increases in shipping rates.

CGA believes any measure that can introduce some stability and competition into the shipping market is a step forward.

“The citrus industry and the broader economy need as much access to shipping as possible. Apart from keeping the market competitive and flexible, a new entrant is also welcome in the context of the large projected increase in citrus yield over the next few years,” CGA explains.

It adds that, if all role-players work together in securing market access and more streamlined logistics, South Africa could increase its citrus exports by 20-million 15 kg cartons of citrus in the coming season.

CGA expects South African citrus exports to increase by 100-million cartons by 2032, adding to the 165.1-million cartons exported in 2023.



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