

How Trump's offensive against South Africa could potentially harm its citrus industry

By Sebastian Ramírez

The United States Government has stopped all aid to South Africa after President Trump claimed the country was confiscating land and mistreating certain classes of people.



On Feb. 7, the president signed an executive order freezing financial aid to the African country.

The [executive order](#) also claims that South Africa has taken aggressive positions toward the United States and its allies, including accusing Israel of genocide in the International Court of Justice and reinvigorating its relations with Iran to develop commercial, military, and nuclear arrangements.

The U.S. says the country's actions pose national security threats to "our Nation, our allies, our African partners, and our interests."

With increasing tensions, the fresh produce sector - even though not directly affected by the aid halt - is still concerned about any further repercussions of the political conflict.

South African citrus sector reactions

The Citrus Growers' Association of Southern Africa (CGA), which focuses on retaining and expanding market access worldwide, says that with citrus production in the country expected to increase, growing and retaining export markets is crucial.

Justin Chadwick, the CEO of CGA, told [Freshfruitportal.com](https://www.freshfruitportal.com) that any factors that might affect trade negatively concern the country's growers.

Chadwick said that while U.S. aid funding is not an issue for them, the African Growth and Opportunity Act (AGOA), which ensures SA citrus isn't subject to U.S. tariffs, is what may cause concern.

"South Africa would lose its competitive edge if AGOA is not renewed," Chadwick said. "Should SA be removed from AGOA, thousands of rural jobs could be impacted, and over a billion rand in export revenue could be lost."

AGOA, passed as part of the Trade and Development Act of 2000 in the USA, provides duty-free access to the U.S. market for almost all products exported from more than 40 eligible sub-Saharan African (SSA) countries, including South Africa.

Chadwick says this allows them to compete with South American countries such as Peru and Chile "for shelf space during summer in the U.S."

"These countries already have advantages, and their citrus also enters the US duty-free, and due to shorter transit times, they enjoy lower costs throughout the supply chain," he noted.

Importance of the U.S. for SA citrus

Only citrus from the Western and Northern Cape Provinces is shipped to the U.S.

Even though North America only accounts for 9% of South Africa's total citrus exports, Chadwick says, "US-SA citrus exports sustain an estimated 35,000 local jobs from farm level throughout the supply chain as well as an additional 20,000 jobs in the US."

The CEO assured that without AGOA, "these jobs will surely be under threat," and they are confident of the sector's growth potential in the U.S. market.

The trade allowed by AGOA benefits both countries, as South Africa can supply the U.S. with high-quality citrus during the Northern Hemisphere summer months when they do not have a local supply.

"AGOA has benefited both the South African economy and the U.S. consumer," Chadwick said.



Justin Chadwick, CGA

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