

Trump's executive orders can negatively affect South Africa's billion-dollar citrus and other fruit exports

South Africa is now firmly in the crosshairs of US President Donald Trump after he signed a surprise executive order last Friday (7 February, 2025) restricting all funding to the country. The export fruit industry is bracing for the worst to come with the annual around 110,415 tonnes of citrus fruit that enjoys duty-free access to the U.S. under threat. This comes as the relationship between Washington and Pretoria is deteriorating further.



Pictures: Summer Citrus from South Africa

Trump's Executive Order is titled: Addressing Egregious Actions of The Republic of South Africa and stipulates the immediate action and reasons for the order. "In shocking disregard of its citizens' rights, the Republic of South Africa (South Africa) recently enacted Expropriation Act 13 of 2024 (Act), to enable the

government of South Africa to seize ethnic minority Afrikaners' agricultural property without compensation. This Act follows countless government policies designed to dismantle equal opportunity in employment, education, and business, and hateful rhetoric and government actions fuelling disproportionate violence against racially disfavoured landowners.

"In addition, South Africa has taken aggressive positions towards the United States and its allies, including accusing Israel, not Hamas, of genocide in the International Court of Justice, and reinvigorating its relations with Iran to develop commercial, military, and nuclear arrangements," read Trump's order.



It is feared this executive order, which caught the South African Government as well as the entire country off-guard, is the first salvo against South Africa, traditionally the U.S.'s biggest ally on the African continent. Given Trump's rapid wielding of sweeping measures to pressure even the U.S. closest allies and neighbors Mexico and Canada two weeks ago, South Africa is not spared. The real fear now is that South Africa can be kicked out of the African Growth and Opportunities Act (Agoa), which provides duty-free access to the lucrative US market. South Africa's fruit and other industries like the automotive sector stand to lose billions.

Response from South Africa's Parliamentary Standing Committee of Agriculture

MP Noko Masipa, Chairperson of the Standing Committee of Agriculture, Economic Development and Tourism, in South Africa's Parliament commented as follows: "The Democratic Alliance (DA) firmly opposes the expropriation of land

without compensation. While we support transformation, it must align with Section 25 of the Constitution. The current legislation allowing nil compensation is unconstitutional. We note the executive orders by President Trump that will impact South African farmers, particularly in the Western Cape, who benefit from Agoa. The concerns raised by South Africans and farmers at large are valid and require a whole-of-society approach.

"99% of South Africa's citrus exports to the U.S. enter duty-free under Agoa, with over \$1.2 billion in exports since 2000. Between 2021 and 2022, Agoa's agricultural trade was just under \$1 billion, supporting thousands of jobs from farms to ports. These jobs benefit vulnerable black South Africans, and the government must take concerns about harmful race-based policies seriously. Race-based legislation is widening inequality and fostering corruption. This is the time for the government to rethink policies that hurt the economy and adopt inclusive, effective alternatives contained in the DA Economic Justice Policy: A Sustainable Development Goal Model," states Masipa.



Big concern for South Africa's Summer Citrus campaign to the US

Justin Chadwick, outgoing CEO of the Citrus Growers Association of Southern Africa (CGA), also raised their big concern and the impact it could have on their annual Summer Citrus campaign if South Africa is excluded from Agoa.

"Uncertainty about the future has generated a lot of concern. South Africa would lose its competitive edge if Agoa is not renewed. Agoa ensures our citrus isn't subject to US tariffs. And we need the competitive edge. South Africa has to compete with other Southern Hemisphere countries, such as Peru and Chile, for shelf space during summer in the US. These countries already have advantages.

Their citrus also enters the US duty-free and due to shorter transit times, they enjoy lower costs throughout the supply chain. The tariff for citrus to the USA for countries with no tariff benefits is in the order of US 9 cents per kg. The US demand for SA's quality citrus is clearly shown by the increase in SA citrus exports to the US since 2017 - the amount of citrus exported to the US has almost doubled since then."

Thousands of jobs at stake

"Should South Africa be removed from Agoa, thousands of rural jobs could be impacted, as well as over a billion rand in export revenue could be lost. Currently, only citrus from the Western and Northern Cape Provinces is shipped to the US. This is due to unnecessary plant health measures that can be safely rolled back to include all other SA provinces. Progress on this has halted though," warns Chadwick.

He makes the case for the US to keep South African citrus on the shelves. "A good way for the US to assure their citrus market's resilience, is to welcome good quality summer citrus from importers, because it keeps their local citrus consumers loyal to the product, retaining an interest through constant supply. SA does not compete with the citrus producers of Florida or California, in fact, quite the opposite – they sustain customers' interest when their local citrus is out of season, benefitting US citrus growers. SA citrus varieties can provide US consumers with a wider range of choices, potentially boosting the overall citrus market in the US. Variety can attract more consumers to the fruit category, eventually benefiting local US citrus producers," notes Chadwick.



John Steenhuisen, South Africa's Minister of Agriculture and leader of the opposition party the Democratic Alliance said in a television interview he sent an agricultural attaché from his department to Washington. He says this fall-out presents an opportunity to reset the relationship between the two countries.

"There's an opportunity in this for South Africa to reaffirm its relationship with one of our largest trading partners. We can't afford to simply wave the US market away. We exported over \$3.1 billion into the US in 2023 and more in 2024, we can't afford to wave it away. The sooner we can send a delegation to Washington on behalf of the Government of National Unity to indicate what we are doing, our plans to grow the economy and create jobs, and why it's in America's interest as well to have a strong, stable constitutional partner on the southern tip of the continent," Steenhuisen concluded.

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