

Report reveals R5.27bn blow to SA's citrus exports in 2024

A new report by the Bureau for Food and Agricultural Policy (BFAP) has revealed that inefficiencies in South Africa's logistics system cost the citrus industry a staggering R5.27bn in 2024. The findings highlight significant financial losses for farmers and exporters, impacting foreign revenue and job creation in the sector.



Source: LoggaWiggler via [Pixabay](#).

According to the Citrus Growers' Association of Southern Africa (CGA), the ongoing logistical challenges—such as port delays, deteriorating road and rail infrastructure, and inefficiency surcharges—pose a serious threat to the industry's long-term sustainability. The association has called on Finance Minister Enoch Godongwana to address the crisis in his upcoming budget speech.

Dr Boitshoko Ntshabele, incoming CEO of the CGA, emphasised the urgency of intervention, stating, “The huge cost makes it clear that large-scale public-private partnerships at ports across South Africa are urgently needed. While the findings of the impact assessment are deeply concerning, the CGA views this as an opportunity to collaborate with stakeholders and implement effective solutions.”

The BFAP report quantifies the costs incurred by the industry in 2024:

- Direct expenditure increases: R1.56bn
- Revenue losses due to lower prices: R2.6bn
- Waste from delays and spoilage: R1.1bn

As a perishable commodity with a limited shelf life, citrus is particularly vulnerable to transport delays. The study outlines how slow port throughput and unreliable transport schedules have led to significant losses, hitting emerging growers and new entrants hardest.

Gerrit van der Merwe, CGA chairperson and a grower in Citrusdal, noted that the problem has been ongoing for years: "Finally quantifying the damage is an important step. In a certain sense, South Africa has gotten used to the destruction of value that has been happening on a greater or lesser scale over the last few years. It's incredibly frustrating for the growers and their rural communities, who bear the impact directly."



Citrus growers urge swift action on logistics post-Sona

11 Feb 2025

Citrus industry's growth potential under threat

Citrus is South Africa's largest agricultural export industry, supporting close to 140,000 jobs at the farm level. With production set to rise in the coming years, the CGA warns that without immediate logistical reforms, South Africa's ports will be unable to accommodate increased export volumes.

"If all role-players work together, we can reach an export level of 260 million 15kg cartons of citrus by 2032, creating 100,000 jobs in the process," Ntshabele explained. "Last year we exported 165 million cartons. More fruit will be coming off our trees, but physically moving them to all the many markets that have a taste for our high-quality citrus is a problem."



Public-private collaboration: The key to South Africa's logistics transformation

5 Nov 2024

The CGA has welcomed President Cyril Ramaphosa's commitment in his State of the Nation Address to revitalise the country's port terminals and rail corridors through the Freight Logistics Roadmap. However, the association stresses that the pace of reform remains too slow to prevent continued financial losses.

With Minister Godongwana set to outline budget priorities this week, the citrus industry is hopeful that logistics infrastructure investment will be prioritised. The CGA argues that an efficient export system would not only protect the industry but also boost tax revenues and create inclusive economic growth.

The full BFAP report is available [here](#).

For more, visit: <https://www.bizcommunity.com>

