

Citrus industry reveals true cost of South African port inefficiencies

By [Fred Meintjes](#) | 18 February 2025

Study says the cost of inefficient logistics to the country's citrus industry was a "staggering" R5.27bn in 2024 alone

An independent study conducted by the South African Bureau for Food and Agricultural Policy (BFAP) has found that the combined direct and indirect costs of inefficient logistics to the citrus industry were a "staggering" R5.27bn in the 2024 season alone.



"This represents a debilitating loss of foreign revenue to the country and a setback to creating desperately needed jobs," said outgoing Citrus Growers Association (CGA) chief executive Justin Chadwick.

Chadwick said the CGA hoped finance minister Enoch Godongwana would prioritise the country's logistics crisis in the upcoming budget speech later today.

“The huge cost makes it clear that large-scale public private partnerships at ports across South Africa are urgently needed,” said Dr Boitshoko Ntshabele, incoming chief executive of the CGA.

“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 has quantified the cost of logistical inefficiencies for the 2024 citrus season, with direct expenditure increasing by an estimated R1.56bn.

Indirect cost, which is the revenue lost as produce is sold at a lesser price, was estimated at R2.6bn, with waste estimated at R1.1bn.

Chadwick said that citrus was a perishable product with a limited shelf-life, so it was especially vulnerable to the impact of delays.

“The study quantifies the effects of slow port throughput, deteriorating road and rail infrastructure, unreliable schedules, inefficiency surcharges imposed by shipping lines, and missed market opportunities,” he continued.

“The losses and added costs jeopardise the long-term viability of the citrus industry. They also impact emerging growers and new entrants the hardest.

Finally quantifying the damage was an important step, according to Gerrit van der Merwe, chairperson of the CGA and a grower in Citrusdal.

“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,” he said.

“It’s incredibly frustrating for the growers and their rural communities, who feel the impact directly.”

Citrus is South Africa’s biggest agricultural export industry, and maintains close to 140,000 jobs at farm level.

Because of projected harvest increases over the next few years, the industry has the potential to create tens of thousands more jobs.

“If all role-players work together, we can reach an export level of 260mn 15kg cartons of citrus by 2032, creating an additional 100,000 jobs in the process,” Ntshabele explained.

“Last year we exported 165mn 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.

“If we don’t get it sorted out, our ports, already beset with these delays, will not be able to handle the increased volumes at all,” he added.

The CGA said it applauded president Cyril Ramaphosa’s pledge in his State of the Nation Address that the government was “revitalising our port terminals and rail corridors through the Freight Logistics Roadmap, leveraging private capital to restore them to world class standards”.

“The CGA is cognisant of the progress made on logistics in the past year, but, as the BFAP study proves, the pace of reform is not nearly what it should be,” it concluded.

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