

South African citrus industry warns port delays threaten export growth and job creation

"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 feel the impact directly," said Gerrit van der Merwe, Chairperson of the CGA and a grower in Citrusdal.

Citrus represents South Africa's largest agricultural export sector, sustaining approximately 140,000 jobs at the farm level. With expected increases in harvests in the coming years, the industry holds the potential to generate tens of thousands of new jobs. "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. 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. If not addressed soon, our ports, already beset with these delays, will not be able to handle the increased volumes at all," explained Dr Ntshabele.

Chadwick noted the CGA's approval of President Cyril Ramaphosa's commitment in his State of the Nation Address, stating that the government is "revitalizing 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. As Minister Godongwana sets budget priorities this week, it should be acknowledged that an efficient export industry can generate billions in additional tax revenue and contribute to true inclusive growth for all South Africans. Public-private partnerships are the only long-term way to ensure logistical efficiency. The citrus industry is hopeful that Treasury and Minister Godongwana will facilitate urgent and true reforms," said Chadwick.

Source: IOL (<https://www.iol.co.za/sunday-tribune/news/inefficient-logistics-cost-citrus-industry-r52-billion-67575eba-2171-4f43-a359-2456efd48b54>)

Publication date: Wed 19 Feb 2025

•

