

Agronomics in Charts: South African citrus market faces uncertainty over tariffs and AGOA renewal

In this installment of the 'Agronomics In Charts' series, we take a look at the South African citrus market. Each week, the series looks at a different horticultural commodity, focusing on a specific origin or topic, visualizing the market factors that are driving change.



Despite a new era of uncertainty given new tensions in the relationship between the United States of America and South Africa in terms of trade and economic relations, South African grapefruit and orange exports are forecast to grow, albeit modestly. Approximately 5% of South African citrus exports are exported to the United States, valued at approximately \$97.9 million in MY 2023/2024.

Oranges

Following less-than-ideal weather in MY 2023/24, South Africa's orange production is projected to increase modestly to 1.69 million metric tons in MY 2024/25. Orders for Valencia orange trees have increased due to increased juicing prices following a decline in Brazilian orange production. The Valencia variety remains a popular citrus among South African producers, accounting for roughly two-thirds of South African orange production.

Valencia accounts for 2/3rds of the 44,000 ha planted in MY 2023/2024. Navel oranges are also expected to experience small growth. However, some producers are planting more late navel varieties due to a recent shift in consumer and market demand trends.

Though production is experiencing a slight increase and is expected to remain relatively stable, exports are anticipated to decrease. Given logistical issues at South Africa's main ports of Durban and Cape Town, the South African industry is working with port authorities to navigate issues such as equipment breakdowns and manpower shortages. South African oranges also face phytosanitary issues that are raised from their largest trading partner, the European Union, which is quarantining shipments due to False Codling Moth and Citrus Black Spot.

Grapefruits

In response to a general decline in global demand for grapefruit, planting area for South African grapefruits is expected to decrease from 8,000 hectares to 7,900 hectares. Despite the decline in planting area, favorable weather in growing areas provided adequate irrigation water. Due to its unfamiliarity amongst South African domestic consumers, its export numbers are generally stable with little to no change. It is largely used for juicing, and its pulp used for grapefruit oil for flavoring in soft drinks and air fragrances. South African grapefruit is expected to experience a slight increase due to improvements in production, leading to a slight increase in supply. Main export

markets are the Netherlands, Russia, China and Japan. The United States has been a growing market for South African grapefruit, especially during the American summer months, expanding at a rate of 68%, from 275 MT in MY 2010/11 to 8,990 MT by MY 2022/2023. However, new tariffs and relations with the Trump Administration throw agricultural exports to the United States into question.

Effects on South African Citrus exports under the Trump Administration

In MY 2024/25, the biggest challenge that has been presented to the South African citrus industry is the suspension of aid and the forthcoming questions of potential non-renewal of preferential trade status under the African Growth & Opportunities Act (AGOA). This would require South Africa to resume paying tariffs, potentially throwing farmers into unemployment and putting an enormous financial strain on South Africa's citrus industry. AGOA grants preferential trade status for qualifying products to enter the U.S. market without duties. Given the current state of relations between the United States & South Africa, many believe this is unlikely and South African products may become less common and damage the relationship between the United States and its largest trading partner on the African continent.

In our 'In Charts' series, we work to tell some of the stories that are moving the industry. Feel free to take a look at the other articles by [clicking here](#).

All pricing for domestic US produce represents the spot market at Shipping Point (i.e. packing house/climate controlled warehouse, etc.). For imported fruit, the pricing data represents the spot market at Port of Entry. You can keep track of the markets daily through Agronometrics, a data visualization tool built to help the industry make sense of the huge amounts of data that professionals need to access to make informed decisions. If you found the information and the charts from this article useful, feel free to visit us at www.agronometrics.com where you can easily access these same graphs, or explore the other 21 commodities we currently track.

