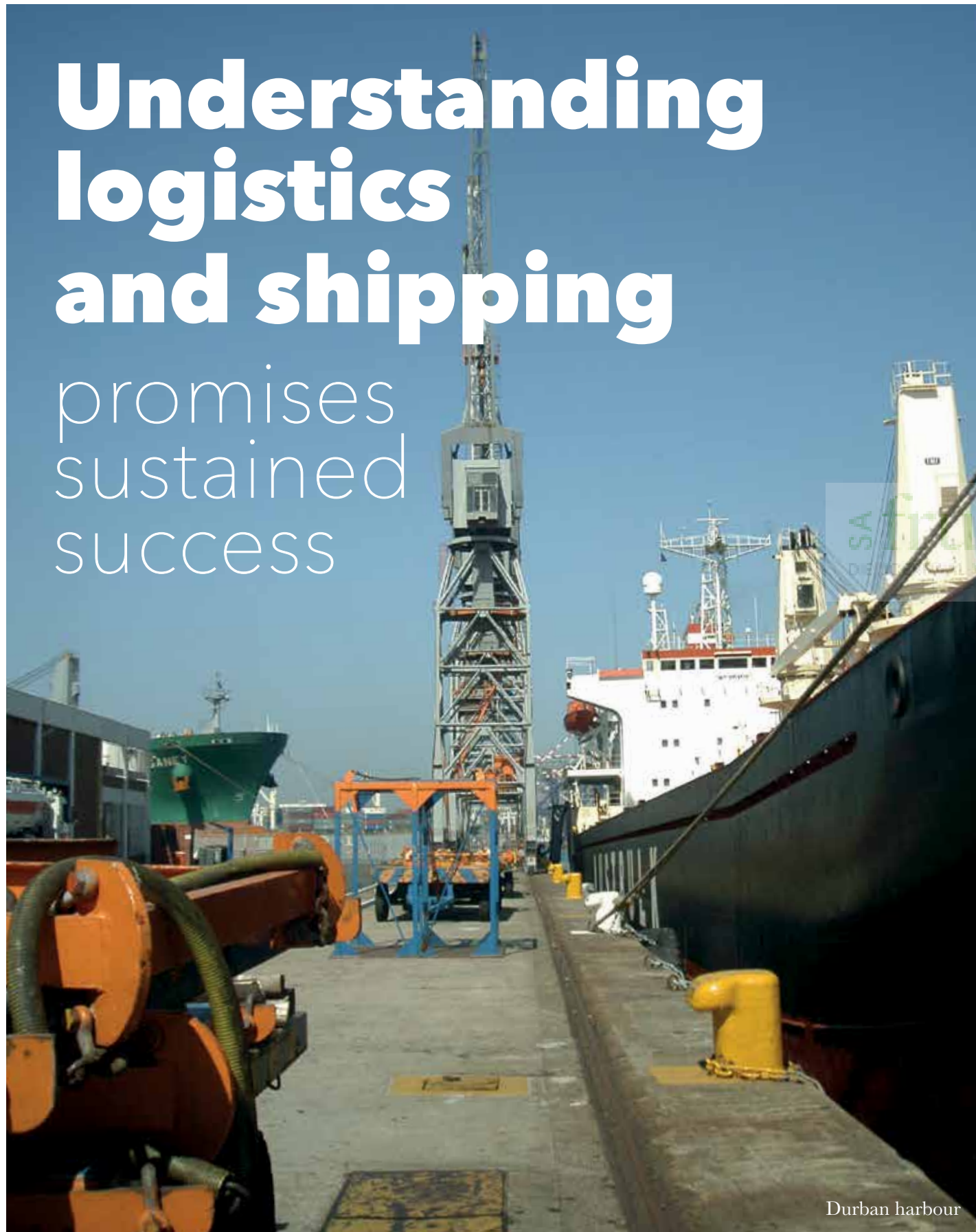


Understanding logistics and shipping

promises sustained success



Durban harbour



The Southern African citrus industry has arguably one of the most diversified and complex supply chains on the African continent (if not globally). In 2021, over 400 citrus packhouses stretching across some 2 000 km, packed over 100 000 ha of citrus in 164 million (15kg equivalent) cartons. And 2.05 million pallets were transported on roughly 95 000 rail/road trucks to over 100 cross-dock facilities across the region. 92 000 FEU reefer containers were shipped through five seaports and 13 export terminals to over 100 countries around the world. These are big numbers. And we haven't even touched on the phytosanitary, regulatory aspects and paperwork that have to be dealt with.

The future of the Southern Africa citrus supply chain is showing signs of constraint based on present circumstances and shortcomings at the ports. With an escalation in annual growth over the next few years, these challenges stand to increase proportionately. Therefore, it's crucial that growers understand the supply chain dynamics, get involved with logistics, and build strategic partnerships to ensure sustainability.

Citrus growers (and exporters of citrus) who develop strategies to ensure that their good-quality product reaches receivers on time, and consecutively manage to maintain that rhythm whilst receiving balanced pricing, are in an ideal position.

The logistics landscape has evolved. Gone are the days of loading a truck with pallets of citrus destined for ports, then leaving it up to trading partners to manage the process beyond that. It's vital for citrus growers to



Mitchell Brooke



Citrus awaiting shipping

have an in-depth understanding of how the supply chain works, pitfalls and all. A "broken" supply chain stands in the way of good quality products reaching buyers on time, and simply sends them looking elsewhere.

Many citrus growers (and exporters) are developing in-house applications or aligning with service providers who have developed integrated platforms that give them full visibility and control of their supply chain. From when citrus is harvested to production; transport to port; cold storage at port; containers awaiting shipping in a terminal export stack and even on a ship during a sea voyage to the final receiver, these growers have total visibility and control – from stock location to temperature management. It's advisable to evaluate and build partnerships with IT, logistics and shipping businesses that can offer growers visible, efficient and effective solutions to market. These may even bring about unique and differentiated solutions.

Eighty percent of citrus is exported to only 10 countries, incorporated into six main trade regions. A big constraint that needs focused attention is the delays of shipping to these regions. The continued malfunction of ships at the South African ports due to

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inefficiencies and delays places the efficient movement of citrus to markets in jeopardy. SA's main trade regions are Northern Europe, the UK, the Mediterranean, the US, Russia and Bangladesh. As an industry, we must communicate with the main shipping line partners to ensure that shipping to these regions is accessible from each of the ports, and that the ships are able to move efficiently through SA's port system.

Five key recommendations to growers and exporters, for sustainability:

1. Ensure a good quality product reaches the market and buyer on time, every time, returning a decent price. Moving forward, it will become very important that product is delivered to customers on time as agreed. Growers who comply with relevant agreements for supply will be in a better position to remain viable and profitable.

2. Understand every aspect of your



Cargo ships at Durban harbour

logistics and cold chain. Know what works and what doesn't. There are a number of constraints that are beginning to surface within the ports framework that will most likely escalate as citrus export volumes grow. For example, ports container terminals operate with old, malfunctioning equipment, therefore good cold chain practices must be adopted to maintain good quality. Growers and exporters need to become acquainted with these constraints and implement measures to work around them.

3. Logistics has become the most important aspect of fruit export. Having knowledgeable, well-equipped, competent teams is critical. The citrus export value chain is very complex given the cold chain, phytosanitary and documentary requirements. This demands that logistics teams have an acute knowledge of the operating environment. Teams will need to be well equipped with good systems and have the capabilities to ensure exports are conducted efficiently and effectively.

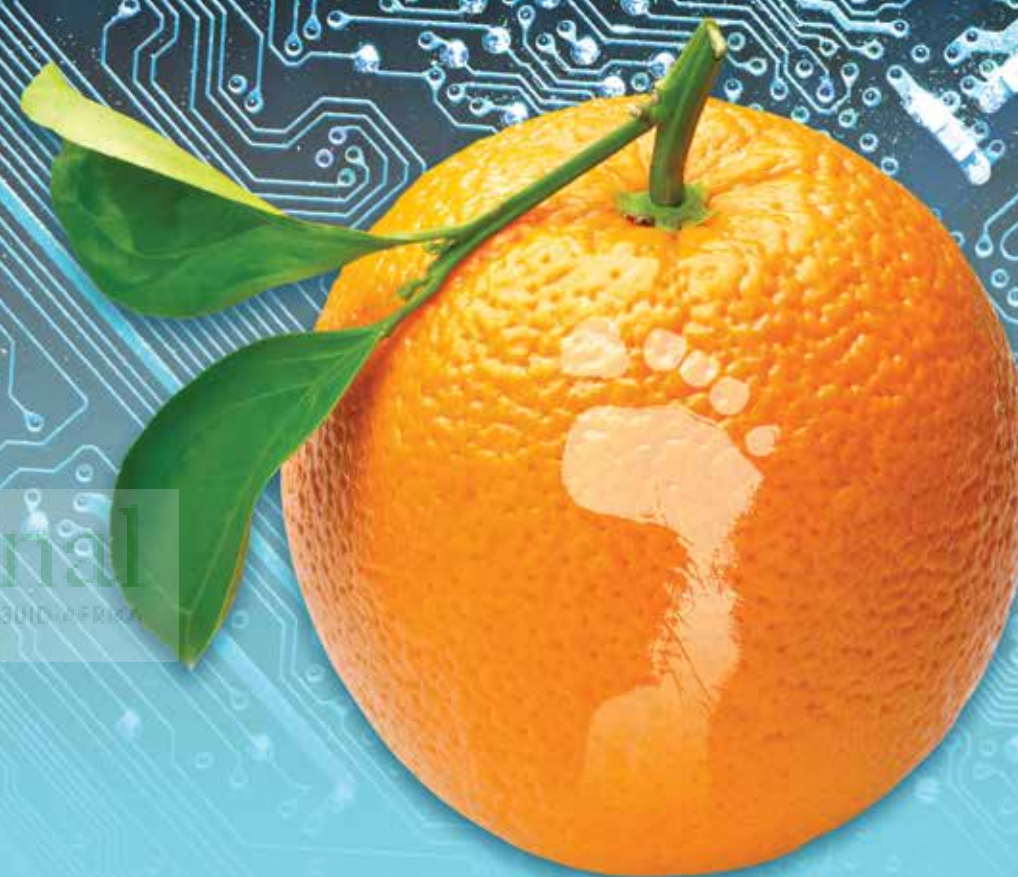
4. Going forward, product must move

from packhouses through the ports and onto the ships, efficiently and effectively. As citrus export volumes grow, capacity and infrastructure could well become constrained. If product does not move through the ports onto ships and to markets within the shortest timeframe possible, congestion will cause bottlenecks. Consequently, fruit will spend longer in the port, incurring extra costs. It is recommended that product is assigned a vessel and destination as soon as it is passed for export, and that the product is managed effectively throughout the chain.

5. Develop systems to monitor and track product and cold chain from farm to market; many systems are being developed for this purpose. Another very important recommendation is for growers and exporters to either build or adopt systems that provide the functionality to monitor the product through the value chain to the end receiver. Those that have robust systems in place will be in a position to manage product more effectively and ensure that the cold chain is well managed.

STEP INTO THE FUTURE

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Evolve 480 SC (Azoxystrobin (strobilurin): 240 g/l & Fludioxonil (phenylpyrrole): 240 g/l).
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