Navigating TRADE AND GROWTH in citrus

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The South African citrus industry has seen exceptional growth since the deregulation of the agricultural sector. By **Jana Janse van Rensburg**, **Amy Grundling**, **Deon Joubert**, **Prof. Vaughan Hattingh** and **Dr Elma Carstens**

According to the International Trade Centre, citrus exports rose from US$204.5 million in 2001 to US$1.8 billion in 2024 with further gains expected in 2025, following record shipment volumes. Citrus is currently the top foreign revenue earner in the South African horticulture sector, supporting around 140 000 on-farm jobs and many more across the value chain.

Globally, SA ranks between ninth and 11th in citrus production, but has consistently held second place in exports, and leads in sea freight shipments. The 2025 season marked excellent progress toward the citrus industry's Vision 260 goal of exporting 260 million cartons (15 kg equivalent) by 2032 – an achievement that would position SA as the world's top citrus exporter.

Market access and technical excellence have long been pillars of the Southern African citrus industry. Research investment has driven expansion since the first exports in 1905 and the appointment of the industry's first technical officer in 1917. And following deregulation in 1996, the Citrus Growers' Association of Southern Africa (CGA) was established in 1997 to secure research funding. Market access and research were central to the first statutory levy in 2001 and remain core to the industry strategy. Today, South African citrus fruit is exported to 119 countries.

The Department of Trade, Industry and Competition (dtic), and the Department of Agriculture (DoA) have recently placed strong emphasis on market diversification. This aligns with CGA's and Citrus Research International's (CRI) market access strategy – to gain, retain, and optimise (GRO) access to markets.

Gaining market access

SA's citrus industry has long prioritised market access as a cornerstone of its export strategy. This sustained focus has enabled the country to secure entry into most major international markets, positioning it as one of the world's leading citrus exporters. However, global access has expanded alongside slackened market access.

Nevertheless, SA's active pursuit of access to untapped markets with growth and offset supply opportunities includes Mexico, Brazil, Costa Rica, Guatemala, El Salvador, Honduras, and Morocco.

Additionally, expanding the range of citrus types permitted in existing markets is a critical strategic access tactic. For instance, while SA currently exports only oranges to Vietnam, efforts are underway to include mandarins, lemons, and grapefruit. Similarly, in Japan, gaining approval for mandarin exports remains a top priority, as demand for premium citrus continues to rise.

Retaining market access

For the citrus industry in SA, retaining access to high-value export markets like the EU and the US is vital. Any compromise of access to these markets could have severe economic consequences, threatening jobs, revenue, and long-term growth.

Feedback on the EU

SA remains the leading citrus exporter from the southern hemisphere to the EU, outperforming regional competitors. Egypt and Turkey dominate the northern hemisphere's seasonal supply.

SA's citrus industry has seen a significant rise in exports to the EU during the 2025 season, with volumes increasing by over 10 million cartons (15 kg equivalent) compared to the previous year. As the season concludes, this growth reaffirms the EU's role as a vital and high-value market for South African citrus producers. Together, the EU and UK account for nearly half of SA's total citrus exports, underscoring their importance as dependable trade partners. In the spirit of cooperation between European and South African producers, SA concluded its citrus export season early, allowing for a smooth and well-coordinated transition between the two regions' production cycles.

Consumer demand for South African citrus continues to grow across Europe and by week 38 of 2025, the average EU resident had consumed approximately 12.1 South African citrus fruits – up from 8.5 in 2021. This steady upward trend reflects rising demand and improved distribution, allowing South African citrus to reach more markets and consumers. It also highlights the strength of the trade relationship, built on consistent product quality and a reliable supply chain.

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Within the EU, Spain leads domestic citrus production, followed by Italy and Greece. However, the 2025 season saw reduced output and increased reliance on imports in these countries due to climate-related challenges and rising production costs. Germany and the Netherlands, though not citrus producers, serve as key re-exporters and logistical hubs, ensuring efficient distribution across the region.

Citrus remains a dietary staple in Europe, valued for its flavour, versatility and nutrition. The total volume of citrus consumption in the EU clocks 62%, constituting 3.2 million tonnes for Italy, 2.8 million for Spain and 756 000 tonnes for France. Germany, Greece, the Netherlands, and Portugal contribute another 22%, reflecting widespread popularity. As for annual per capita consumption, generally, Greece leads with 65 kg, followed by Spain (60 kg) and Italy (55 kg).

Feedback on the US

The citrus industry of SA is under increasing strain in the US market, where competition from fellow southern hemisphere exporters – particularly Chile, Peru and Argentina – has intensified. The challenge has been compounded by the imposition of the new tariff: While most competitors face a 10% duty, SA has been subjected to a steep 30% reciprocal tariff, which significantly undermines its price competitiveness.

The US, with a population exceeding 340 million and a per capita GDP of $89 110, is one of the world's largest consumers of citrus. However, domestic production has steadily declined due to extreme weather events and persistent disease outbreaks, most notably citrus greening (Huanglongbing) in Florida. As a result, they have become increasingly reliant on imports to meet year-round demand.

In 2024, the US imported $2.07 billion worth of citrus, making citrus the 223rd most imported product among 1 227 categories. Leading suppliers to the US included Mexico ($833 million) and Morocco ($160 million) from the northern hemisphere, and Chile ($433 million), Peru ($209 million), and SA ($119 million) from the southern hemisphere. These US imports are critical to offset domestic shortfalls, especially during the northern hemisphere's off-season.

Adding to the uncertainty is the unresolved status of the African Growth and Opportunity Act (AGOA), which expired on 30 September 2025. The Act provided tariff-free access to the US market for eligible sub-Saharan countries. While discussions around its renewal continue, diplomatic tensions between SA and the US – including disagreements over foreign policy and trade alignment – have cast doubt on future eligibility.

To remain eligible under AGOA, countries must demonstrate a commitment to a market-based economy, uphold the rule of law and political pluralism, eliminate trade barriers, and actively pursue poverty reduction, anti-corruption measures, and human rights protections. For SA's citrus sector, the outcome of AGOA negotiations will be pivotal in shaping future access to the US market.

> The citrus industry's Vision 260 goal is to export 260 million cartons by 2032 – a world-top-citrus- exporter position.

The CGA welcomes the inclusion of oranges in the >200 agricultural products now exempted from US tariffs, to ease rising food prices and address supply challenges. The CGA will monitor these developments closely during the 2026 citrus export season and beyond.

Optimising market access

Beyond gaining or retaining entry, optimising conditions in existing markets offers major potential to enhance SA's citrus competitiveness, profitability, and sustainability. High tariffs remain a major barrier, especially in Asia, where competitors like Australia, Chile, and Peru benefit from Free Trade Agreements (FTAs) that grant preferential access.

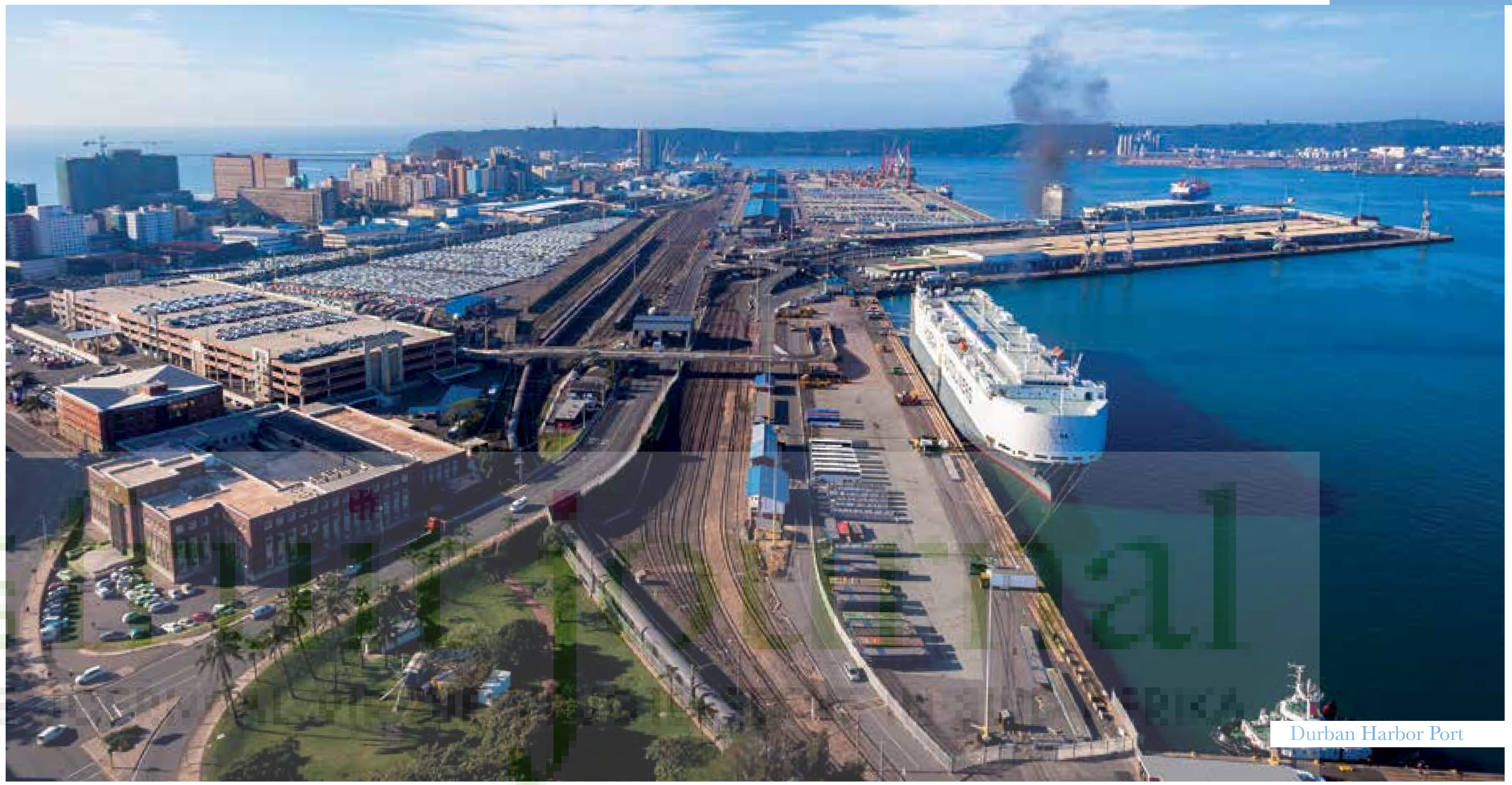
SA, as part of the Southern African Customs Union (SACU), must negotiate trade deals collectively, which slows progress on bilateral agreements. Encouragingly, talks around a SACU-India Trade Agreement and a Framework Agreement with China signal renewed momentum toward reducing tariff barriers.

Technical improvements also play a vital role. There are opportunities to refine phytosanitary measures, replacing costly postharvest treatments like cold disinfestation with systems approaches that maintain compliance while improving fruit quality and reducing costs.

A clear example of operational optimisation came during the 2025 season with South Korea, where inspections shifted from a pre-clearance system to an audit-based approach. This change introduced significant efficiencies and marked a milestone after two decades of successful exports.

Together, these strategic, technical, and operational enhancements underscore the importance of continued improvement in market access tactics. For SA's citrus industry, optimising market conditions is key to staying competitive in a global landscape shaped by trade dynamics, regulatory complexity, and evolving consumer expectations.

So, in its expansion efforts, the citrus industry of SA has sharpened its focus on maintaining profitability, avoiding market saturation, and responding to increasingly protectionist trade policies. With export volumes rising, coordinated efforts among industry bodies, government departments, and international trade partners are essential to sustain momentum and manage risk.



Durban Harbor Port

DEVELOPMENTS on the northern citrus corridor to Durban

The CGA's vast citrus production projections require matching infrastructure and logistical developments that will enhance logistics capabilities in corridors.

By Mitchell Brooke

At the time of writing, the northern citrus regions had produced a combined 93.6 million (15 kg equivalent) cartons for export during the 2025 season. This is a 16.6 million carton increase on the 2023 season, of which 77 million cartons were produced for export. When aligned to the crop projection model and Vision 260, the combined growth projection for this region stands at 105 million cartons to be potentially produced for export by 2030.

This article highlights infrastructure and logistical developments that are in process that will enhance the logistics capability in the corridors.

Foreseeable peak production pressure points

What is the anticipated operational impact of the increased production?

- Road transportation demands will increase, and the demand for trucking is expected to be higher than available demand. This will create transport pricing pressure, given the strong relationship between demand and price increases.
- Due to the high production projected for Late Mandarins, typically requiring refrigerated transport, there will likely be a shortage of refrigerated trucking during the peak season. This demand uptick could also increase the cost of refrigerated transport.
- During the 2025 season, 118 000 reefer containers (up from 94 000 in 2024) were used to export the season's crop to markets. In 2025, 53 000 containers departed Durban (up from 42 000 in 2024). Based on the projection of 105 million (15 kg equivalent) cartons, 65 000 reefer containers will be needed to export that volume. And the national requirement at that stage is forecasted to be 135 000 containers. It is highly probable that during subsequent citrus seasons, when production and export volumes are typically on an upward trajectory, a shortage of empty container equipment will be inevitable.
- Durban Container Terminal Reefer plug capacity is radically augmented during the citrus season and is aligned to the current export demand. However, the reefer plug capacity augmentation is largely dictated by the current capacity. Should the demand for reefer containers be on an upward trajectory during subsequent citrus seasons, there will be frequent capacity shortages at the terminals.
- Shipping capacity will also present challenges on certain trade lanes like Europe, the UK, Northern America, and the Middle East. The changes to the current shipping services coming into effect along with limited reefer capacity on these specific trade lanes will potentially lead to a capacity crunch, particularly during the peak season.

If the industry collectively implements related strategies, many of these challenges can be mitigated.

Current infrastructure and logistics developments that are going to radically enhance the capability of the northern corridors logistics environment

- Private participation on the national rail network is imminent.
  - According to Minister Creecey, 21 rail operating companies have expressed interest in running private rail operations on the national network.
  - The minister has also announced the conclusion of slot allocations to a number of these entities.
  - Foreseeably, private rail operations will begin in 2026. Equally substantial is private operators running trains between Durban and the reef. These operations can pave the way for rail transport to be upscaled in the citrus industry.
- Currently, we are only aware of the reefer trains transporting citrus from Bela Bela and City Deep to Durban.
- The recently launched Port of Gauteng Project, south of Johannesburg near the Vosloorus area, proposes mass movement of containers between Durban and this terminal. The site also presents investment opportunities in developing cold storage facilities to manage citrus consignments for export.
- Rail Runner Africa also presents a unique transport solution to the citrus industry. This unique, multi-modal road and rail solution is compatible with the fruit export industry. Although still a concept, once the Rail Runner Africa design is approved, it will similarly present unique investment opportunities for producers. The Rail Runner concept is planned for purpose-designed refrigerated trailers being built that are compatible with transport for all fruit kinds on road and by rail, using the unique Rail Runner concept.