

"It does not matter how slowly you go as long as you do not stop" - Confucius

RAIL REFORMS A STEP IN THE RIGHT DIRECTION

Minister Barbara Creecy's speech given at the 14th Southern African Railways Association International Rail Conference held in Sandton highlighted developments around addressing one of the ever-present concerns for the citrus industry in Southern Africa: logistics.

In February of this year the CGA released a BFAP report on the impact of logistics inefficiencies on our industry, and the total direct and indirect cost of these inefficiencies were estimated at about R5.3 billion per annum - money which could have gone into the economy, created jobs and provided a good return for our growers.

Minister Creecy's recent speech acknowledged the historical role that rail has played in facilitating trade and mobility on the continent by connecting mines to ports, farms to markets, and people to opportunities. This was important in the context of the disruptions created by US tariffs and the emergence of a trade restrictive stance since April. These developments have led to countries scurrying around to cultivate alternative market opportunities and the diversification of trade. Our own government has of course not been spared on this front. We have, for instance, seen trips undertaken to Japan and India, with trade high on the agenda. There have also been calls made to take advantage of opportunities offered by the African Continental Free Trade Area (AfCFTA). One of the challenges with the notion of trade amongst ourselves on the continent is interconnectedness of trade routes. Africa is one of the least connected continents, which contributes significantly to the poor realisation of intra-Africa trade growth. Of all regions of the world, intra-Africa trade remains minuscule despite the AfCFTA coming into effect. It is reported that it increased from 13.6% in 2022 to 14.9% in 2023.

The immediate concern for our growers, however, is getting export fruit to ports from which it is shipped. To contextualise this, the CGA's Logistics Development Manager, has continually pointed out the distances involved: "40% of South Africa's export citrus is grown in Limpopo. Once harvested, the produce must travel about 850 km to Durban before it is shipped." Improved local rail networks can assist greatly in this regard. Minister Creecy has, in testimony of progress with her reform agenda, announced eleven private sector operators. These operators have been allocated a total of forty-one routes across six corridors for up to ten years.

In one of our newsletters, we reported on rail transportation of citrus from City Deep in Johannesburg down to the Durban port. We are keen on the growth of any of these types of initiatives over the next few years. With our own projected increases in production volumes, the easing of transportation to market destinations at minimal cost to our growers is a priority.

In her speech Minister Creecy said it is estimated that the new private sector operators announced will carry an additional twenty million tonnes of freight next year, with government working towards increasing freight rail to 250 million tonnes per annum by 2029. As we have maintained, Private Sector Partnerships provide the answers to ensuring smoother logistics that will facilitate growth and job creation in our industry.

STAKEHOLDER INPUTS FOR THE BUSINESS INTELLIGENCE TEAM

If you have not done so already, growers and stakeholders are invited to share their information/data needs with the CGA Business Intelligence Team. These inputs will be used to shape the direction this team moves in ahead of the next season. Please use this link to capture your perspective: [SURVEY LINK](#)

PACKED AND SHIPPED VOLUMES

End of Week 35 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Vision 260
SOURCE: PPECB/AGRIHUB	2023	2024	2025	2024	2025	2025	2025	2024	2025
Grapefruit	13.9 m	14.2 m	15.0 m	13.5 m	14.7 m	15.3 m	15.1 m	14.4 m	16.8 m
Lemons	36.1 m	34.1 m	39.9 m	32.7 m	38.5 m	32.9 m	41.1 m	34.7 m	41.5 m
Mandarins	37.4 m	39.6 m	47.7 m	34.3 m	44.1 m	44.9 m	49.4 m	41.6 m	43.9 m
Navels	25.7 m	24.1 m	30.4 m	20.9 m	28.6 m	26.1 m	31.1 m	25.1 m	21.7 m
Valencia	43.6 m	36.6 m	47.0 m	26.4 m	40.0 m	52.0 m	55.5 m	48.8 m	58.0 m
Total	156.7 m	148.6 m	180.0 m	127.8 m	165.9 m	171.1m	192.2 m	164.6 m	181.9 m