While hopes are high for the South African citrus season in terms of production volume, the industry looks set to be challenged by a lack of refrigerated containers and sky-high shipping costs.

The country expecting citrus exports in 2021 to set another consecutive record - now revised even further upwards by the Variety Focus Groups to 162 million cartons in total - driven in large part by late mandarins.

However, Citrus Growers Association of Southern Africa (CGA) CEO Justin Chadwick cautioned that there "could well be a challenge" in meeting the citrus industry's expected demand of 95,000 reefer containers this season. This figure rises to 120,000 when deciduous and subtropical fruit volume is included.

The CGA last month shared a report with port operator Transnet and all major shipping lines that transport fruit.

"The information was shared very early in March and feedback indicated there could well be a challenge in meeting this demand," Chadwick said. "Further investigation identified there is a challenge globally in the repositioning of reefer equipment to places around the world where they are needed."

He explained that since there is such a high demand for general freight movement out of China to the U.S., South America and the EU - with "exorbitant freight rates" being charged due to the high demand - lines are forgoing allocating space on vessels to reposition reefer containers.

Another factor is there is a massive demand for protein products (pork) due to the Swine Flu pandemic in China, so many reefer containers are being shipped from the U.S., South America and the EU back to China.

"So it seems there is a perfect imbalance in trade flows causing an equipment stockpile in China. The severity of this issue has affected the Deciduous exports from the Western Cape with devastating consequences on exports," he said.

CGA representatives will meet with all major lines to discuss this challenge; amongst other challenges around port operations and capacity.

Chadwick added that specialized reefer ships are coming and additional ships can be brought in based on demand, be wise and use this opportunity to move fruit. He also cautioned exporters to ensure market prices can cover the higher cost of freight.

In addition, he said that capacity and infrastructure will be "tested to the limits" if the volume meets the estimates and that Transnet’s ability to manage the flows will be paramount to achieve success in 2021.