

Extra cargo service to boost citrus exports

By Jyothi Laldas | 23 February 2024 | 9:00 am

In a strategic move to strengthen South Africa's citrus export capabilities, the Mediterranean Shipping Company (MSC) has revealed plans for an additional direct cargo service from the port of Ngqura to northern Europe.



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The initiative aims to bolster the efficiency and accessibility of South African citrus shipments to key European markets.

According to MSC, the introduction of this direct service, free of transshipment, is a strategic response to the challenges faced by fruit shippers in ensuring timely transportation from South Africa to Europe.

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The Citrus Growers' Association of Southern Africa (CGA) welcomed the additional direct shipping service from Ngqura and Port Elizabeth for the export of citrus.

The service will run every Tuesday from the end of May to the beginning of September, during the height of the citrus season. With peak citrus export season set to commence in April and logistical challenges abound, the industry hopes that port congestion issues will be resolved promptly to ensure a smooth season.

CGA's recent data revealed a 14% decline in citrus fruit export volume from the Cape Town port's container terminal and a 17% reduction in table grape exports compared with the previous season.



According to Justin Chadwick, CEO of the Citrus Growers' Association, MSC has provided the citrus industry with shipping services for many years, and this expanded offering is a welcome development.

"The additional service is good news for Eastern Cape citrus growers. Our members in Patensie, the Sunday's River Valley and Kat River who export their high-quality citrus to Europe will be able to make use of this option, which helps to protect jobs and earn much needed foreign revenue for the country," Chadwick said.

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He said the CGA was looking forward to the year with cautious optimism.

"The fruit on the trees are looking very good and we expect an increased crop yield in the coming season. There is potential for another record-setting number of cartons exported.

It has been projected that South Africa can, with the committed support of all role-players, increase its citrus exports from last year's 165,1 million 15kg cartons to 260 million cartons by 2032.

This will not only generate more revenue but create 100 000 more jobs on farm level alone. It is in this context that the CGA is thankful for increased capacity in the shipping market," Chadwick said.

The announcement by MSC follows on the back of another leading global liner shipping company, Hapag-Lloyd, offering its services in exporting citrus from the ports in Durban and Gqeberha.

According to Chadwick, the new service will become active by the end of May, in time for the bulk of the 2024 season's citrus, and run until September.

"In 2022, a **study** by the Bureau for Food and Agricultural Policy found that four out of five citrus growers made a loss, with extremely high shipping rates being a major contributing factor to the decrease in profitability.

The CGA's role in facilitating Hapag-Lloyd's entry into the market was undertaken in the hope of increasing both capacity and competition, so that long-term sustainability for the sector can be ensured," Chadwick said.

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