CITRUS GROWERS ASK FOR URGENCY ON PORTS AND RAIL TO DELIVER ON SONA COMMITTMENTS

Media statement by Justin Chadwick, outgoing CEO of the Citrus Growers' Association of Southern Africa (CGA).

11 February 2025

As parliament debates President Cyril Ramaphosa's State of the Nation Address (SONA) this week, the CGA welcomes the President's commitment to ensuring that there are functional state-owned enterprises (SOEs). In the SONA he highlighted the repositioning of entities like Transnet to provide world-class infrastructure while enabling competition in operations. The CGA hopes the parliamentary debate can generate some much-needed further urgency on logistics reform.

"2025 must be a year of action on the logistics front. There seems to be a general assumption that the logistics crisis is over, but we are not out of the woods yet," said Dr Boitshoko Ntshabele, newly appointed incoming CEO of the Citrus Growers' Association of Southern Africa. "We look forward to working with government to achieve the inclusive economic growth that only functional logistics can unlock," continues Dr Ntshabele.

The establishment of a dedicated SOE Reform Unit was also highlighted by president Ramaphosa in his SONA. However, many reform initiatives have been launched by government in the past, to no or minimal effect. The citrus industry - as an employer of 140 000 people on farm level alone - hopes sincerely that the renewed commitment to reform will establish meaningful change.

It is essential for the citrus industry that the efficiency of the container terminals at our ports improve. The only long-term way to achieve this, is through public private partnerships that government has committed to enacting. Citrus production is on an increased trajectory, meaning that over the next seven years it is possible for us to boost our exports from 165 million 15kg cartons to 260 million cartons. This would not only create 100 000 new jobs, but also boost our economy with much needed foreign exchange revenue for the fiscus.

The CGA acknowledges the progress made at our ports by Transnet. As the president stated, "new cranes and other port equipment are being commissioned to speed up the loading and unloading of cargo and reduce waiting times for ships." However, container terminal efficiency remains low, and the expected increase in citrus production will place further pressure on the ports - pressure they must be able to handle if our export economy is to grow.

The president also highlighted the publication of the new Transnet Network Statement in December which will enable private rail operators to access the freight rail system. This has the potential to be a moment of historic importance. "Urgency on the rail front will also boost our industry, as 90% of all citrus is currently moved to ports via roads, a more costly form of transport," explained Dr Ntshabele.

In his speech, president Ramaphosa also underscored that through "opening new export markets for products we can significantly expand our agricultural sector." New and expanded access to markets in Asia and the United States will not only benefit the local economy, but the consumers in the destination countries as well, as South African citrus is widely valued for its counter-seasonal supply of quality citrus.

South Africa is the second largest exporter of citrus in the world. The industry passionately shares president Ramaphosa's stated goal, which is to "ensure that South African minerals, vehicles and agricultural produce reach international markets, securing jobs and earning much needed revenue for our fiscus."

Media enquiries
Loftus Marais
loftus@resolvecommunications.co.za
072 833 0717