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Citrus industry negotiates a new trade deal

By Francesca Villette  16h ago



Cape Town - After eleven years of negotiations, South Africa's citrus industry has been given the go-ahead to export to the Philippines, with the signing of a work plan between the Department of Agriculture, Land Reform and Rural Development, and the Philippines Bureau of Plant and Industry.

Agriculture Minister Thoko Didiza made the announcement yesterday as the South African citrus industry estimates that close to 500 000 tons of additional citrus would be available for export by 2024.

"The South African citrus industry remains an important sub-sector in agriculture and the department appreciates the ongoing efforts of all concerned parties to ensure promotion, retention and optimisation of South Africa's export markets for fresh fruit. Both industry and the department will soon communicate to all relevant role players the detailed prescripts of the exports agreement reached with the Philippines towards ensuring full compliance," the department said.

The Citrus Growers Association of Southern Africa (CGA) said with the Philippines importing around 117 000 tons of citrus between 2016 and 2018, the new market will help keep the local industry on its strong growth trajectory.

It announced in March that Southern Africa is expected to export a record 143.3 million cartons of citrus fruit to more than 100 countries in 2020. This is a 13% increase when compared to 2019, which saw 126.7 million cartons being exported, generating R20 billion in export revenue and creating 120 000 jobs.

"Overall, we expect the citrus industry to grow by a further

500 000 tons over the next three to five years," said CGA chief executive Justin Chadwick.

"Mandarins make up the biggest volumes of citrus imported by the Philippines, with over 80 000 tons imported between 2016 and 2018, the majority (60%) from China, followed by Pakistan (25%). Currently, the largest exporters of mandarins from the Southern Hemisphere to the Philippines are Argentina (8 000 tons or 10%) and Australia (2 000 tons or 3%). Oranges are the second leading citrus import (28 000 tons between 2016 and 2018), with China (22%) and Australia (20%) as the main sources. Lemon imports have also been growing over the past few years, with the US being the predominant supplier followed by China," he said.

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