

Navigating uncertainty AND celebrating success

In an increasingly unpredictable geopolitical environment, SA's citrus industry still has much to celebrate. By Amy Grundling and Jana Janse van Rensburg

The article, "Southern African citrus historic performance" featured in the *SA Fruit Journal* Feb-Mar '26, examines the dynamics around the historically high close of the 2025 citrus season. Cartons packed for export reached 203.97 million 15 kg-equivalent cartons for export. SA accounted for the largest share of this volume. Export earnings exceeded US\$2.47 billion, surpassing the US\$2 billion mark for the first time. The citrus industry supports the South African trade balance; generates foreign exchange; and sustains local, national, regional and international value chains. This constitutes a significant contribution to the South African economy.

2025 Season success – a combination of factors

The record performance of 2025 came from several reinforcing factors. Favourable weather and the maturity of younger orchards helped push volumes higher and strong demand for processing-grade fruit – especially juicing oranges and lemons – absorbed surplus supply and supported returns. The Port of Durban recorded

improved efficiency linked to Transnet's investment in new equipment and incentive systems. And SA's favourable geographic location allowed for maximisation of the early end to supply in the northern hemisphere, with a longer marketing window that supported prices early in the export season.

Trade developments also played a role. Largely, South African citrus evaded most of the 30% US Liberation Day tariffs in 2025, as they only came into force toward the end of the trading season. Certain fruit products – including oranges – received a tariff exemption under the November executive order and remain exempt. SA also signed a Memorandum of Understanding with Vietnam to expand market access. This followed the opening of the orange market in 2024, with mandarins, lemons and grapefruit now targeted for expanded market access.

Together, these developments highlight the increasing importance of economic diplomacy in overcoming tariff and non-tariff barriers, and diversifying risk in an even more fragmented global trade system.

2026: Navigating geopolitical uncertainty

Volatility remains a defining feature for the global trade landscape, driven by shifting trade relations, new tariff regimes, and increasingly unpredictable market access conditions. Early in the year, geopolitical tensions had escalated, driven

by developments in Venezuela, renewed conflict in the Middle East (ME), and questions around NATO stability following revived US interest in Greenland. Against this backdrop, tariffs are increasingly used as protective measures but also as instruments of foreign policy. On 20 February 2026, the US Supreme Court struck down President Trump's IEEPA-based tariffs, ruling that the statute does not authorise the imposition of tariffs. Shortly afterward, the Administration pivoted to Section 122 of the Trade Act of 1974, imposing a 10% global tariff effective 24 February 2026 for up to 150 days, with the authority to raise it to 15%. In parallel, the Administration also initiated or expanded investigations under Section 301, which could lead to additional tariffs on targeted countries, including SA.

Although the African Growth and Opportunity Act (AGOA) was renewed on 3 February 2026, the originally proposed three-year extension was reduced to a single year, ending 31 December 2026. While SA remains technically eligible, the practical value of AGOA has been eroded by the new US tariff regime currently applied to most South African exports – effectively cancelling out most duty-free benefits. The only meaningful exception is oranges, which currently continue to enjoy preferential access. Coupled with ongoing political scrutiny in Washington, this leaves SA's position around AGOA intact on paper, but increasingly fragile.



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Rising protectionism in key markets

The potential realignment of the UK phytosanitary standards with those of the EU represents a significant setback for the citrus industry. The UK is one of SA's most reliable and high-value citrus importers. Aligning its policies with the EU's stringent and scientifically disputed phytosanitary requirements would impose additional unnecessary compliance burdens on citrus growers. SA and independent plant-health experts have repeatedly criticised these EU measures, particularly those relating to citrus black spot (CBS) and false codling moth (FCM). They lack scientific justification. Extending such requirements to the UK market would therefore compound the regulatory pressure on an industry already facing costly and unscientific EU-driven protocols. The EU-UK reset, if successful, is scheduled for implementation in 2027, and trade discussions between the two governments are progressing fast.

The ME crisis adds further uncertainty

This crisis has also created shock waves throughout the global economy, following

the escalation of conflict between the US, Israel and Iran on 28 February 2026, which quickly spread across the Gulf region.

The ME absorbs ±20% of South African citrus exports. Hence, disrupted consignments linked to suspended shipping line services and closure of the Strait of Hormuz are a major concern.

Beyond logistics, the disruption has also affected crude oil and fertiliser supply, adding further pressure to global agricultural value chains.

As the crisis evolves daily, the CGA is mitigating risk by partnering with FPEF to establish a crisis committee tasked with identifying risks and coordinating mitigation strategies.

All export markets hold equal importance for the citrus industry, as each transaction ultimately represents a mutually beneficial exchange between growers and consumers. While the external environment is more complex than ever, the citrus industry continues to demonstrate resilience, strategic agility, and the capacity to navigate headwinds through collaboration and meticulous planning.

Market optimisation and diversification

Bound by Southern African Customs Union (SACU) rules, SA is lagging behind other economies who have accelerated new trade agreements, in response to the conflict. Leaders, including President Ramaphosa, and Ministers Tau and Steenhuisen have emphasised the need to expand agricultural market access globally.

The signing of the Framework Agreement on Economic Partnership for Shared Prosperity (CAEPA) between SA and China stands to deepen trade relations. It also enables SA, within the SACU framework, to begin negotiating reductions on specific tariff lines. But certain challenges remain. To identify other countries that would benefit SA in signing trade agreements, the CGA is supporting an econometric study that models the potential impact of Partial Sector Agreements (PSAs) with selected trading partners, focusing

specifically on agricultural tariff lines. The goal is to identify which partners are most suitable for PSAs, while safeguarding sensitive sectors. These results will provide policymakers and the industry with practical tools to navigate the increasingly volatile trade environment with agility.

Anticipated market openings: northern hemisphere outlook

Recently, the World Citrus Organisation (WCO) released its Northern Hemisphere Citrus Forecast for 2025/26, presented during the annual forecast outlook in November. The forecast uses data from Egypt, Greece, Israel, Italy, Morocco, Spain, Tunisia, Turkey, the US, and Portugal that shows a 1.51% decline in total citrus production from the 2024/25 season, at approximately 27.4 million tonnes. This is also 5.13% below the four-season average.

This contraction in northern hemisphere supply is expected to result in a more open market when the southern hemisphere season begins, creating space for growing volumes and benefiting SA's growers.

Looking ahead

The trade and political landscape will continue to evolve, but the citrus industry's focus on market access, optimisation, diversification, and collaboration remain unwavering. By combining evidence-based policy, strategic diplomacy, and operational readiness, SA can navigate geopolitical shocks while seizing emerging opportunities. Adaptability and proactive engagement are key to securing sustainable growth and maintaining the industry's critical contribution to the South African economy. 🍊

