Southern African Citrus Exports – Post Harvest Supply Chain Optimization

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OF SOUTHERN AFRICA
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Introduction: the citrus supply chain in general is functioning in an unsustainable manner, caused by direct or indirect circumstances...

- Packaging and Palletising can be done more Effectively.
- Product is being Irreparably Damaged in the Chain.
- Road and Rail Networks are Hugely Imbalanced!
- Corridor Networks, Infrastructure and Ports are Mostly Ineffective.
- Cold Chain Management and Visibility can be Improved.
- Costs are Peaking and Compounded by Inefficiency.
- Industry Cooperation is Virtually Non Existent – Silo's
- IT Systems are Archaic and are not linked at Strategic Phases.



Definition of Supply Chain: the movement of goods from source of production to end consumer, incl. the management of processes, infrastructure and logistics networks involved in the chain.

Purpose: to create a cooperative, efficient, cost effective & sustainable export supply chain for Southern African citrus.

Citrus Export Supply Chain Focus Areas:











IT Systems & Global Monitoring





Citrus Packaging and Palletising

- Encourage carton manufacturing and purchasing based on guidelines.
- To guide the design, construction and use of a uniform pallet based on specification, which is able withstand the impact of transport and handling.
- To encourage the palletising of citrus in such a way that minimizes damages through the various stages of export.
- Encourage the adoption of the packaging and palletising guidelines as set out by the Citrus Packaging Forum.
- Continuous Monitoring and Provide Feedback to the Packhouses.





Citrus Transportation Road & Rail

- To develop a centralized transportation booking and monitoring tool (1 Citrus), to reduce delays.
- To adopt techniques that reduce damages incurred during transit.
  - See www.cga.co.za / Logistics Transportation
- Introduce cost effective and efficient rail services from Limpopo region.
  - Conventional break-bulk rail & Reefer container trains
- Minimize the possibility of overloading.
- Ensure regional and national roads are maintained and are functional.





Ports, Infrastructure and Corridors

Port Optimization:

- Citrus terminals and cold stores should optimize operational and throughput efficiency by evaluating & upgrading systems and processes – ISO standards.
- Shipping Lines and Transnet Port Terminals should include value added services at depot & terminal level to enhance effectiveness and efficiency.
- Industry should strategize port terminal & cold store utilization.
  - Separation of break-bulk and container cargo. E.g. Russia
  - Specifications – bulk specifications for container lots?





Ports, Infrastructure and Corridors

Infrastructure Development:

- Development of a central common user truck stop in Durban (1-Citrus).
- Encourage the development of mobile racking systems – reduce damages.
- Development of infrastructure to enhance the effectiveness of Maputo port.
- Development of inland citrus Reefer container rail hubs.
  - Letsitele and Polokwane
- Is there sufficient capacity at port level?
- What is the future outlook of the Citrus Bulk Terminals?????





Ports, Infrastructure and Corridors

Corridor Optimization:

- Development of services to encourage better utilization of the Maputo port.
  - E.g. Break-bulk to Europe & Russia / Japan cold treatment? / Container shipping
- Further development of citrus container rail loading operations from Limpopo.
  - Letsitele & Polokwane to Durban, Ngqura or Cape Town
- Research and develop practical ambient loading techniques – load on farm.
- Can Ngqura port be a value add for citrus exports from the northern region?





Ocean Shipping

- Are the South African Ocean Freight Rates competitive? Inconclusive.
  - Do port delays and inefficiency influence freight rates?
- Ensure sustainability of the Specialized Reefer sector to Southern Africa.
- Enhance shipping line schedule reliability.
- Ensure that shipping capacity is uniformly applied.
- Ensure container equipment is in adequate supply.
- Introduction of direct containerized shipping services from Maputo.
  - Will this ever become a reality?





Citrus Cold Chain

- To ensure the PPECB mandate on Cold Chain management is stringently applied throughout (Review of PPECB act). Does PPECB have a responsibility?
- To ensure 100% success rate of Reefer Container cold treatment requirements.
  - Access to important markets i.e. China, India, Thailand, Vietnam etc
- Does there need to be further research on container cold chain functionality?
- We need to educate industry role players on citrus cold chain requirements.
  - Disruptions of cold chain can have serious problems on quality.
- Should cold stores and terminals adopt Quality Control and Cold Chain Reps – Sheq?



Citrus Logistics Forum (CLF)

Objective: to create a functional platform to debate and address citrus supply chain developments and challenges.

- The formation of specific task teams to address key issues

Who is involved in the Supply Chain Optimization Strategy? All role players involved in the exporting of citrus.

