

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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South Africa - Republic of

Citrus Semi-annual

South Africa Citrus Semi-Annual Report

Approved By:

Abigail Nguema

Prepared By:

Wellington Sikuka

Report Highlights:

The impact of the temporary and voluntary suspension of South African citrus exports to the European Union due to Citrus Black Spot (CBS) issues in the 2014/15 MY was not as extensive as previously anticipated. Grapefruit exports are estimated to decrease by one percent, while orange exports will remain flat, with lemon and soft citrus exports showing increases in the 2014/15 MY.

Commodities:

Citrus, Other, Fresh

Grapefruit, Fresh

Lemons, Fresh

Oranges, Fresh

Orange Juice

Tangerines/Mandarins, Fresh

Executive Summary

Post forecasts that the 2014/15 MY (Marketing Year) grapefruit production in South Africa will decrease by three percent to 400,000 MT, as a result of the annual cyclical fluctuations of grapefruit production and the smaller fruit sizes. Post forecasts that the 2014/15 MY production of oranges will decrease by one percent to 1,700 million MT despite normal weather conditions currently being experienced, due to the impact of hail which affected the three biggest producing regions. Post forecasts that the 2014/15 MY production of tangerines/mandarins will remain flat at 195,000 MT, based on normal weather conditions.

Post forecasts that the 2014/15 MY production of lemons/limes will increase by two percent to 320,000MT based on the increase in area planted, normal weather conditions and production increases mainly in the Sunday River Valley, Senwes and Boland.

Post forecasts that the 2014/15 MY grapefruit exports will decrease by one percent to 215,000 MT based on the reduction in crop production and lower volumes to the European Union (EU). Post forecasts that in the 2014/15 MY exports of oranges by South Africa will remain flat at 1,140 million MT, based on the ongoing CBS challenges in the European Union market. Post forecasts that the South African 2014/15 MY exports of tangerines/mandarins will increase by four percent to 160,000 MT based on increased production and growing market opportunities in the Middle East and Asia, and the weakening of the rand exchange rate. Post forecasts that the 2014/15 MY exports of lemons/limes by South Africa will increase by five percent to 230,000 MT, based on the production increase, weaker rand to the US dollar and that lemons were not affected by CBS issues in the EU market.

Post forecasts that the 2014/15 MY imports of fresh citrus will remain flat based on a static domestic consumption and sufficient domestic production to supply the local market.

Post forecasts that in the 2014/15 MY, the production of orange juice will decrease by two percent to 47,604 MT based on the forecasted two percent decrease in fresh oranges delivered for processing. Post forecasts that the 2014/15 MY exports of orange juice will increase by 44 percent to 44,502 MT based on the increase in the orange juice stocks and the weakening rand exchange rate.

Key Sources

Name of source	Website
Citrus Growers Association (CGA)	www.cga.co.ca
Fresh fruit portal	www.freshfruitportal.com

Exchange rate

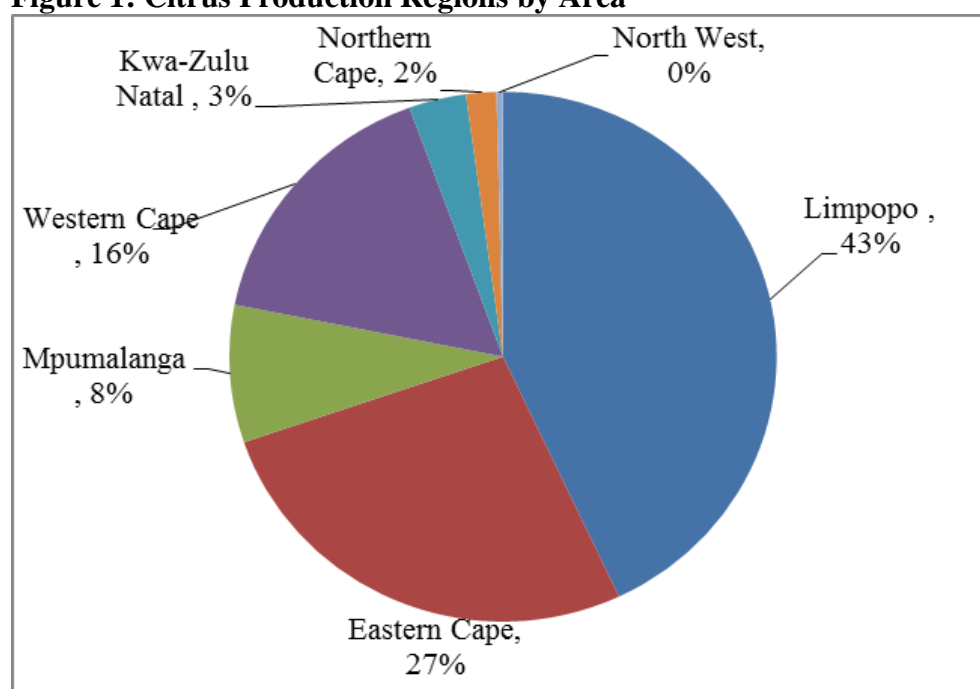
Rand/US\$ Exchange = 12

Background

In the 2013/14 MY, approximately 62,658 hectares (Ha) of citrus was planted in South Africa. The 2012/13 MY planted area was 61,990 Ha. The Limpopo, Western Cape, Mpumalanga, Eastern Cape, KwaZulu-Natal and Northern Cape provinces are the main citrus growing regions in South Africa.

Figure 1 below shows that Limpopo has the largest area planted, followed by Eastern Cape, Mpumalanga and Western Cape. The Western Cape and Eastern have a cooler climate which is suited for the production of the navel oranges, lemons and easy peelers such as clementines and satsumas. The Mpumalanga, Limpopo and KwaZulu-Natal Provinces have a warmer climate which is better suited to the cultivation of grapefruit and Valencia oranges.

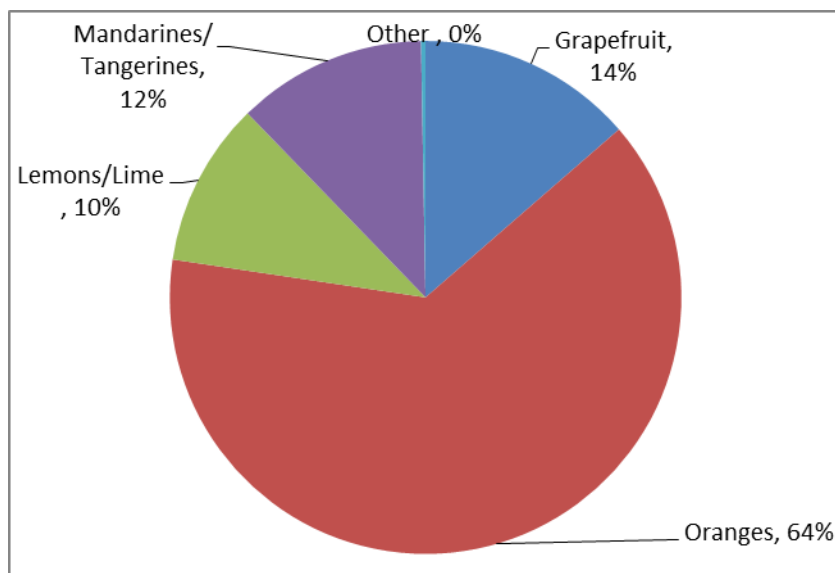
Figure 1: Citrus Production Regions by Area



Source: Citrus Growers Association (CGA)

Figure 2 shows that oranges are the biggest citrus type produced in South Africa and accounted for 64 percent of the total citrus area planted in the 2013/14 MY.

Figure 2: Distribution of Citrus Production by Area



Source: CGA

There are approximately 210 commercial citrus varieties being planted in South Africa. **Table 1** shows the most common citrus varieties planted in South Africa. Star Ruby is the most planted grapefruit variety due to its high global demand. Producers prefer Valencia oranges over Navels as Valencia's have a longer shelf life and produce more yields than Navels. Nardocott is one of the most popular soft citrus cultivars in South Africa. Industry statistics indicate that some growers have started planting the Tango cultivar, which is seedless and is still waiting to be granted its Plant Breeders Rights.

Table 1: Citrus Varieties

Citrus	Variety
Grape fruit	Star Ruby, Marsh, Rose, Flame, Nelspruit Ruby (Nelruby), Flamingo
Oranges	Valencias Delta, Midnight, Turkey (Juvalle), Oukloon (Olinda, Late), Du Roi , Benny.
	Navels Palmer, Bahianinha, Washington, Robyn, Navelina, Lane Late, Newhall, Cambria, Cara Cara, Rustenburg, Autumn Gold
Mandarins/ Tangarines	Clementine Nules, Marisol, SRA, Oroval, Esbal, Clemenpons, Oronules
	Mandarin Nadorcott (Afourer), Nova, Or (Orri), Minneola, Mor , B17, Tambor , Naartjie, Thoro Temple, Sonet, B24 (African Sunset)
	Satsuma Miho Wase, Owari , Kuno, Miyagawa Wase, Okitsu Wase, Aoshima.
Lemons/Lime	Eureka, Eureka SL, Lisbon, Limoneira, Genoa

Source: CGA

Table 2 below shows the harvest periods for citrus in South African.

Table 2: South Africa Harvest Period for Citrus

Citrus	Harvest Period
Marsh Grapefruit	April to June
Star Ruby Grapefruit	April to September
Navel Oranges	June to July
Valencia Oranges	July to September
Mandarins/Tangarines	July to August
Lemons/Lime	July to September

Source: CGA

Table 3 highlights the summary of citrus production in South Africa. The balance of the citrus production after satisfying the export and fresh domestic consumption is delivered for processing.

Table 3: Summary of Fresh Citrus Production, Supply and Distribution

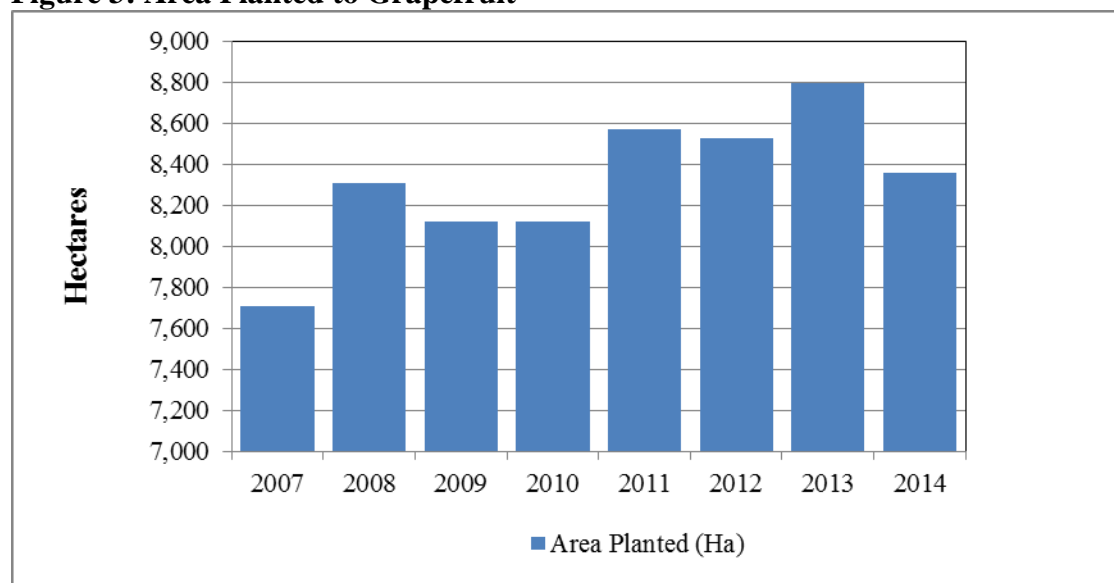
Citrus	2013/14 MY			2014/2015 MY		
	Production	Domestic Consumption	Exports	Production	Domestic Consumption	Exports
	MT	MT	MT	MT	MT	MT
Oranges	1,715,067	120,212	1,143,815	1,700,000	120,000	1,140,000
Grapefruit	413,259	4,527	217,382	400,000	5,000	215,000
Lemons	312,314	80,225	219,617	320,000	77,000	230,000
Soft Citrus	195,293	23,833	153,313	195,000	24,000	160,000
Total	2,635,933	309,022	1,734,127	2,615,000	226,000	1,745,000

Commodities: **Grapefruit, Fresh**

Production

Post forecasts that the 2014/15 MY grapefruit production in South Africa will decrease by three percent to 400,000 MT, based on the smaller fruit sizes that will result in a lower tonnages. In addition, this is due to the cyclical fluctuations of grapefruit production where a high production season is usually followed by a low production season.

The 2013/14 MY was a high production season, based on excellent growing conditions. Post revised upwards the 2013/14 MY production to 413,259 MT, and the 2012/13 MY grapefruit production remains at 437,180 MT, based on updated and final industry data. The 2012/13 MY grapefruit production at 437,180 MT, remains the highest production in the past eight years as a result of good rainfalls in the eastern part of the country and an increase in planted area. **Figure 3** below illustrates that the area planted to grapefruit decreased to 8,361 ha in the 2013/14 MY from the peak 2012/13 MY area planted of 8,796 hectares.

Figure 3: Area Planted to Grapefruit

Source: CGA

Consumption

Post forecasts that the 2014/15 MY grapefruit domestic consumption will remain flat at 5,000 MT. Domestic consumption of grapefruit is relatively low as most South African consumers especially the younger generation has not acquired the taste for grapefruit. In addition, the consumption of grapefruit slowed down a few years ago following the negative media reports and public perceptions on the medical effects of grapefruits in South Africa.

Grapefruit is also processed for juice, the majority of which is exported to Europe. The left over pulp following commercial juice extraction is an important source of grapefruit oil which is used as a flavoring in many soft drinks. The inner peel is a source of pectin and citric acid, which are both used by the food industry to preserve fruits, jams, and marmalades. Naringin is also extracted from grapefruit peel, and gives tonic-water its distinctive bitter flavor. Finally, the grapefruit peel oil is used in scented fragrances.

Trade: Exports

Post forecasts that the 2014/15 MY grapefruit exports will decrease by one percent to 215,000 MT, based on the decrease in production and the lower volumes to EU as exports to Spain are currently suspended. The 2013/14 MY exports of grapefruit has been revised downwards to 217,382 MT, based on final Global Trade Atlas (GTA) data. The 2012/13 MY exports remain unchanged at 241,827 MT. Europe and Asia are South Africa's major export markets. South Africa is faced with the challenges of citrus black spot in the EU market. Refer to the following link to read the GAIN report on South Africa voluntarily suspending its citrus exports to the EU on September, 8, 2014 as a result of the citrus black spot detections ([Download GAIN report](#)). There is also a growing emphasis to grow the Middle East and Africa markets. South Africa grapefruit can enter the United States duty free under the African

Growth and Opportunity Act (AGOA). While volumes are still low, exports to the United States have been growing, from 76 MT in the 2012/13 MY to 1,051 MT in the 2013/14 MY. South Africa also has a free trade agreement with Europe providing for duty free access for South African citrus exports. Japan imposes a ten percent Most Favored Nation (MFN) duty on South African grapefruit. Russia which is the third largest market for South Africa's grapefruit exports, imposes a five percent or US\$27.96/ton (whichever is greater), while Canada, Hong Kong and the UAE apply a zero percent MFN tariff.

Table 4: South African Fresh Grapefruit exports

South Africa Export Statistics				
Commodity: 080540, Grapefruit, Fresh Or Dried				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	178,255	241,827	217,382
Netherlands	T	46,731	65,063	49,331
Japan	T	49,789	51,967	48,222
Russia	T	13,854	25,774	18,008
Swaziland	T	0	9	15,907
China	T	1,436	9,591	14,007
Italy	T	9,252	12,508	10,096
United Kingdom	T	10,097	12,161	9,812
Canada	T	5,128	7,974	8,804
Korea South	T	0	986	5,944
United Arab Emirates	T	3,722	5,810	4,829
Hong Kong	T	5,054	4,680	4,558
France	T	2,645	5,259	4,198
Taiwan	T	4,573	5,769	3,392
Portugal	T	2,203	3,464	2,979
Spain	T	1,150	2,048	2,259
Germany	T	3,082	2,887	1,378
Ukraine	T	840	2,084	1,268
Greece	T	1,365	1,932	1,117
Ireland	T	540	1,122	1,092
United States	T	76	393	1,051
Saudi Arabia	T	774	1,136	1,050
Other	T	15,946	19,208	8,082

Source: GTA

Imports

Post forecasts that the 2014/15 MY grapefruit imports will remain flat at 12,000 MT. The 2013/14 MY grapefruit imports have been revised upwards to 11,506 MT based on the updated GTA data which now includes Swaziland imports. South Africa is not a major importer of grapefruit. Imports mainly originate from Swaziland, Spain and Israel to fill the demand gap towards the end of the season.

Table 5: South African Fresh Grapefruit imports

South Africa Import Statistics				
Commodity: 080540, Grapefruit, Fresh Or Dried				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	467	461	11,506
Swaziland	T	0	0	10,898
Zimbabwe	T	0	0	330
Israel	T	270	236	116
Spain	T	146	218	95
Turkey	T	41	0	47
France	T	0	0	21
Netherlands	T	10	8	0

Source: GTA

Prices

Table 6 shows the local, export and processed market prices for grapefruit since 2004. Grapefruit prices tend to follow the production cycles of grapefruit, thus, in years with high production, prices are normally low, and vice versa. Domestic prices have doubled from R1,434 (US\$120) in the 2003/04 MY to R3,020(US\$252) in the 2013/14 MY. Export prices continue to provide the highest prices for South African grapefruits.

Table 6: Grapefruit Prices

	Local Market	Export Market	Processed
	Average Price*	Gross Price	Gross Price
	Rand/Ton	Rand/Ton	Rand/Ton
2004	1,434	2,399	325
2005	1,487	925	325

2006	1,493	1,764	386
2007	1,796	2,712	237
2008	2,283	3,658	152
2009	1,839	1,846	240
2010	1,437	4,351	268
2011	2,107	3,723	383
2012	2,275	4,371	377
2013	2,352	5,060	376
2014	3,020	5,247	401

Source: CGA

Table 7: PSD Grapefruit, Fresh

Grapefruit, Fresh Market Begin Year South Africa	2012/2013		2013/2014		2014/2015	
	Jan 2013		Jan 2014		Jan 2014	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	8,796	8,796	8,000	8,361	0	8,300
Area Harvested	8,532	8,532	7,700	7,943	0	8,000
Bearing Trees	8,500	8,500	7,500	7,500	0	7,500
Non-Bearing Trees	300	300	500	500	0	400
Total No. Of Trees	8,800	8,800	8,000	8,000	0	7,900
Production	434	437	390	413	0	400
Imports	0	0	15	12	0	12
Total Supply	434	437	405	425	0	412
Exports	242	242	225	217	0	215
Fresh Dom. Consumption	6	6	5	5	0	5
For Processing	186	189	175	203	0	192
Total Distribution	434	437	405	425	0	412

HECTARES, 1000 TREES, 1000 MT

Source: PSD Tables and Post forecast

Commodities: **Oranges, Fresh**

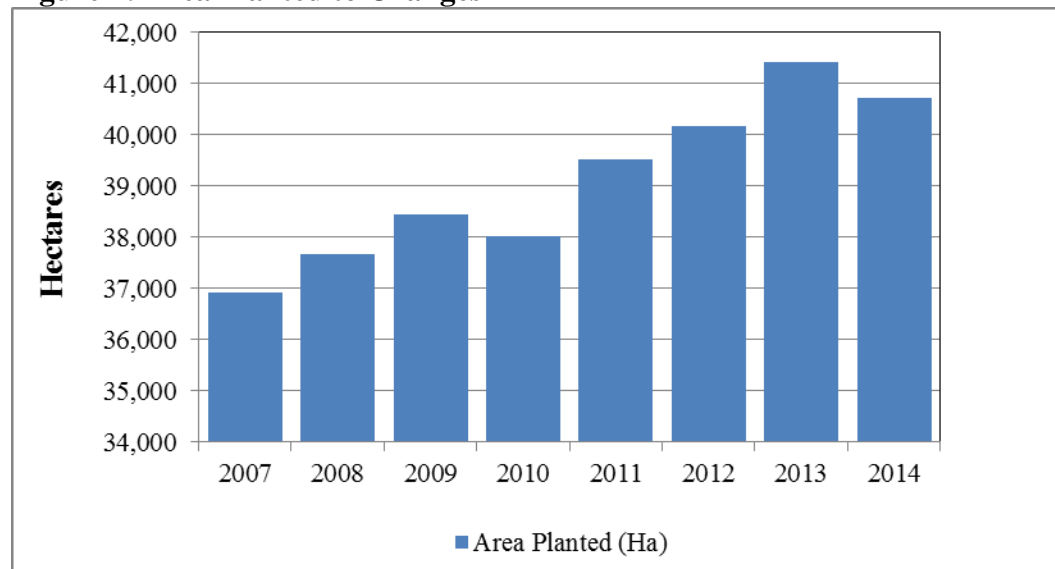
Production

Post forecasts that the 2014/15 MY production of oranges will decrease by one percent to 1,700 million MT despite the normal weather conditions currently being experienced due to decreases in area planted and the impact of hail which affected the three largest producing regions. Significant production

decreases is estimated in Senwes. The 2013/14 MY production was revised upwards to a record production of 1,715 million MT as a result of exceptionally good weather conditions.

The 2012/13 MY orange production has been revised upwards to 1,659 million MT based on updated and final industry data. The area planted with oranges in South Africa has grown steadily since the 2006/07 MY. **Figure 4** shows that the area planted has grown by at least twelve percent from 36,921 hectares in the 2006/07 MY to 39,881 hectares in the 2013/14 MY. The area planted to oranges decreased by two percent in the 2013/14 MY, as some growers shifted to soft citrus.

Figure 4: Area Planted to Oranges



Source: CGA

Consumption

Post forecasts that the 2014/15 MY domestic consumption of oranges will remain flat at 120,000 MT based on static consumer demand as a result of the slow economic growth in South Africa and the financial pressure faced by consumers. Fresh oranges are the most popular citrus consumed in South Africa. The 2013/14 MY domestic consumption has been revised downwards to 120,212 MT and the 2012/13 MY domestic consumption remains at 127,674 MT based on updated and final industry data.

Trade:

Exports

Post forecasts that the 2014/15 MY exports of oranges by South Africa will remain flat at 1,140 million MT, due to the ongoing CBS challenges in the European Union market. However, South Africa's export revenue is expected to increase based on the weakening rand exchange rate. The 2013/14 MY citrus exports has been revised downwards to 1,144 million MT, based on the updated and final GTA figures. The 2012/13 MY exports remains at 1,162 million MT based on GTA data.

Europe remains South Africa's largest market for orange exports, accounting for approximately forty percent of the total export market. However, exports to Asia and the Middle East have grown steadily

over the years. Post forecasts that South African citrus exports to the United States could surpass 50,000 MT in future, especially when the amendment to the regulation proposed by APHIS to permit CBS areas to export to the United States is passed.

Table 8: South African Fresh Orange exports

South Africa Export Statistics				
Commodity: 080510, Oranges, Fresh				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	1,097,299	1,161,511	1,143,815
Netherlands	T	201,186	222,812	206,525
Russia	T	120,051	130,902	125,781
United Arab Emirates	T	93,912	106,782	121,056
Saudi Arabia	T	101,267	92,882	92,866
United Kingdom	T	65,986	81,464	66,545
Kuwait	T	32,969	50,604	51,347
Bangladesh	T	30,072	30,573	40,023
Portugal	T	42,821	41,157	39,939
United States	T	37,737	40,576	39,224
Italy	T	31,960	36,663	36,430
Hong Kong	T	35,115	20,197	34,555
Canada	T	34,968	34,929	33,944
China	T	18,446	24,917	33,872
Malaysia	T	23,947	24,626	28,559
France	T	23,118	25,873	18,148
Ukraine	T	12,590	8,311	13,648
Singapore	T	10,045	9,676	12,268
Spain	T	23,019	18,559	12,181
Zambia	T	5,192	8,373	8,887
Oman	T	12,402	11,158	8,186
Qatar	T	5,101	5,715	6,964
Mozambique	T	34,658	35,444	6,857
Lithuania	T	4,032	6,000	6,146
Japan	T	5,921	4,376	5,525
Sweden	T	7,213	8,392	4,908
India	T	7,751	3,898	4,721
Namibia	T	60	684	4,645
Angola	T	4,710	4,625	4,564
Korea South	T	2,583	4,033	4,430

Swaziland	T	0	560	4,271
Germany	T	10,745	9,019	4,070
Bahrain	T	5,888	5,211	4,060
Norway	T	1,990	2,169	4,031
Ireland	T	3,403	3,487	3,696

Source: GTA

Imports

Post forecasts that the South African 2014/15 MY orange imports will be 15,000 MT. Post revised downwards the 2013/14 MY imports to 12,390 MT based on updated GTA data which now includes Swaziland imports. Oranges are imported to South Africa in the months of November and December to close supply gaps and satisfy year-long demand.

Table 9: South African Fresh Orange imports

South Africa Import Statistics				
Commodity: 080510, Oranges, Fresh				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	378	386	12,390
Swaziland	T	0	0	8,360
Zimbabwe	T	0	0	3,450
Spain	T	273	176	274
Israel	T	92	192	167
Other Countries NES	T	0	0	94
Netherlands	T	12	17	21
Turkey	T	0	0	11
Angola	T	0	0	11

Source: GTA

Prices

Table 10 shows the local, export and processed market prices of oranges. The export market provides the highest prices, followed by the domestic market and the processed prices. Local market prices have increased from R1,090 (US\$91) in the 2003/04 MY to R2,230 (US\$186) in the 2013/14 MY.

Table 10: Oranges Prices

	Local Market	Export Market	Processed
	Average Price*	Gross Price	Gross Price
	Rand/Ton	Rand/Ton	Rand/Ton
2004	1,090	2,425	274

2005	1,111	1,580	229
2006	1,025	1,843	301
2007	1,278	2,832	354
2008	1,430	3,443	419
2009	1,483	3,235	268
2010	1,599	4,043	349
2011	1,762	4,691	529
2012	1,895	4,318	564
2013	2,054	4,975	591
2014	2,230	5,781	618

Source: CGA

Table 11: PSD Oranges, Fresh

Oranges, Fresh Market Begin Year South Africa	2012/2013		2013/2014		2014/2015	
	Feb 2013		Feb 2014		Feb 2014	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	41,426	41,426	42,500	39,881	0	40,000
Area Harvested	37,573	37,573	39,000	38,100	0	38,100
Bearing Trees	37,600	37,600	38,000	38,000	0	38,100
Non-Bearing Trees	3,860	3,860	3,800	3,800	0	3,800
Total No. Of Trees	41,460	41,460	41,800	41,800	0	41,900
Production	1,560	1,659	1,620	1,715	0	1,700
Imports	0	0	15	12	0	15
Total Supply	1,560	1,659	1,635	1,727	0	1,715
Exports	1,162	1,162	1,170	1,144	0	1,140
Fresh Dom. Consumption	128	128	130	120	0	120
For Processing	270	369	335	463	0	455
Total Distribution	1,560	1,659	1,635	1,727	0	1,715

HECTARES, 1000 TREES, 1000 MT

Source: PSD Tables and Post forecast

Commodities:

Tangerines/Mandarins, Fresh - Soft Citrus

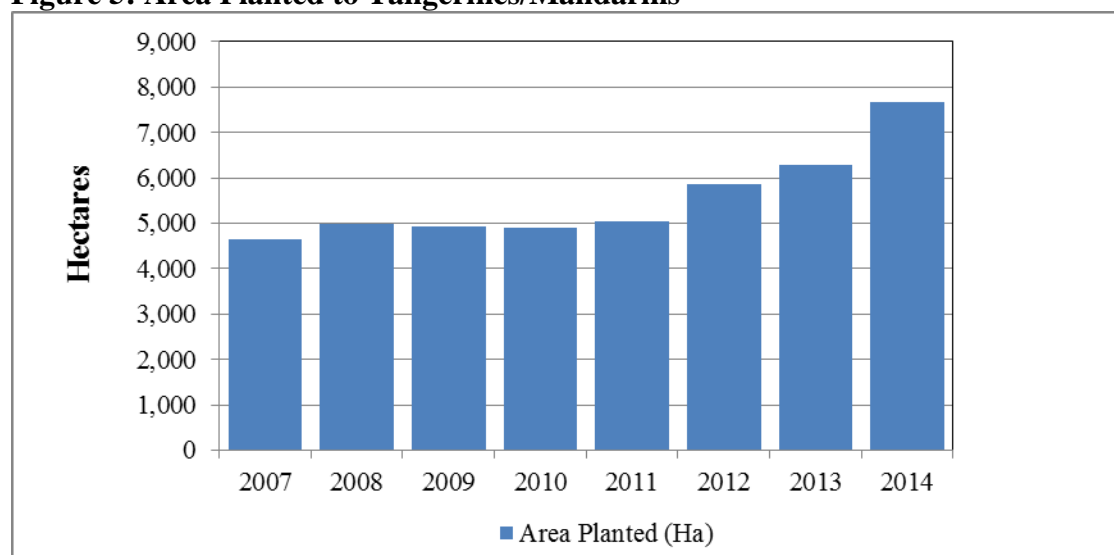
Production

Post forecasts that the 2014/15 MY production of tangerines/mandarins in South Africa will remain flat at 195,000 MT based on normal weather conditions. Post revised upwards the 2013/14 MY production to 195,293 MT based on final industry data and good growing conditions and an increase in area planted in the following regions; Senwes, Patensie, Sundays River, Boland, Western Cape, and East Cape Midlands. The 2012/13 MY production of tangerines/mandarins has been revised upwards to 171,234 MT based on updated and final industry data.

Figure 5 shows that the growth in area planted with tangerines/mandarins from the 2006/07 MY to the 2010/11 MY was flat. However, there was an increase in area planted from 5,044 hectares in the

2010/11 MY to 7,668 hectares in the 2013/14 MY due to new orchards being planted as growers are responding to the increasing global demand for seedless soft citrus.

Figure 5: Area Planted to Tangerines/Mandarins



Source: CGA

Consumption

Post forecasts that the 2014/15 MY domestic consumption of tangerines/mandarins will remain flat at 24,000 MT, because of the slow economic growth and increasing financial pressure faced by domestic consumers. The 2013/14 MY and 2012/13 MY domestic consumption has been revised upwards to 23,833 MT and 23,021 MT, respectively, based on updated and final industry data.

Exports

Post forecasts that the South African 2014/15 MY exports of tangerines/mandarins will increase by four percent to 160,000 MT, based on increased production, the growing market opportunities in the Middle East and Asia, and the weakening of the rand exchange rate. Post revised upwards the 2013/14 MY exports of tangerines/mandarins to 153,313 MT, based on final GTA data. Tangerines/mandarins were not affected by the voluntary suspension of exports to the EU by South Africa. The 2012/13 MY exports remains at 132,917 MT based on GTA data.

South African naartjies enter the United States duty free as a result of AGOA preferences. EU member states impose a 1.6 percent preferential tariff for all naartjies originating from South Africa. Russia imposes a five percent or US\$41.93/ton (whichever is the greater) general tariff. Canada, Hong Kong, the UAE, and Saudi Arabia impose a zero percent MFN duty.

Table 12: South African Fresh Tangerines/Mandarins exports

South Africa Export Statistics

Commodity: 080520, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	122,058	132,917	153,313
United Kingdom	T	48,181	50,271	52,560
Netherlands	T	24,003	30,220	30,258
Russia	T	12,099	12,603	11,184
United Arab Emirates	T	4,921	6,093	9,855
Hong Kong	T	4,626	4,639	8,237
United States	T	7,592	3,555	7,444
Canada	T	5,990	6,955	7,368
Ireland	T	1,901	1,946	3,800
Saudi Arabia	T	896	2,319	3,231
Malaysia	T	2,066	1,821	2,725
France	T	765	1,555	1,845
Bangladesh	T	0	275	1,472
Mauritius	T	1,003	947	1,136
Germany	T	428	1,219	1,120
Vietnam	T	0	351	1,003
Singapore	T	570	653	1,003
Portugal	T	160	442	852
Kuwait	T	668	1,583	829
Philippines	T	909	1,098	824
Senegal	T	426	443	736

Source: GTA

Imports

Post forecasts that the 2014/15 MY imports of Tangerines/Mandarins will remain flat at 1,000 MT. South African imports are only marginal in order to satisfy out of season demand.

Table 13: South African Fresh Tangerines/Mandarins imports

South Africa Import Statistics				
Commodity: 080520, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	899	1,395	940

Spain	T	351	552	557
Israel	T	547	804	371
Angola	T	0	0	9
Thailand	T	0	0	3
Netherlands	T	0	38	0

Source: GTA

Prices

Export markets provide the highest prices for South African soft citrus. The seventeen percent increase in export prices from R8,542 (US\$712) in the 2012/13 MY to R10,004 (US\$834) in the 2013/14 MY was mainly due to high prices for soft citrus and the weakening rand against the US dollar.

Table 14: Tangerines/Mandarins Prices

	Local Market	Export Market	Processed
	Average Price*	Gross Price	Gross Price
	Rand/Ton	Rand/Ton	Rand/Ton
2004	1,705	3,638	251
2005	1,279	3,977	165
2006	2,133	4,423	188
2007	2,543	3,758	214
2008	3,038	4,965	367
2009	3,042	4,635	275
2010	3,805	5,618	214
2011	4,091	5,637	315
2012	3,760	7,133	419
2013	5,159	8,542	334
2014	5,442	10,004	465

Source: CGA

Table 15: PSD Tangerines/Mandarins, Fresh

Tangerines/Mandarins, Fresh Market Begin Year South Africa	2012/2013		2013/2014		2014/2015	
	Feb 2013		Feb 2014		Feb 2014	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	6,273	6,273	6,400	7,668	0	7,700
Area Harvested	4,642	4,642	4,800	6,300	0	6,400
Bearing Trees	4,650	4,650	4,700	4,700	0	4,700
Non-Bearing Trees	1,630	1,630	1,700	1,700	0	1,700
Total No. Of Trees	6,280	6,280	6,400	6,400	0	6,400
Production	146	171	191	195	0	195
Imports	1	1	1	1	0	1
Total Supply	147	172	192	196	0	196
Exports	133	133	170	153	0	160
Fresh Dom. Consumption	10	23	10	24	0	24
For Processing	4	16	12	19	0	12
Total Distribution	147	172	192	196	0	196

HECTARES, 1000 TREES, 1000 MT

Source: PSD Tables and Post forecast

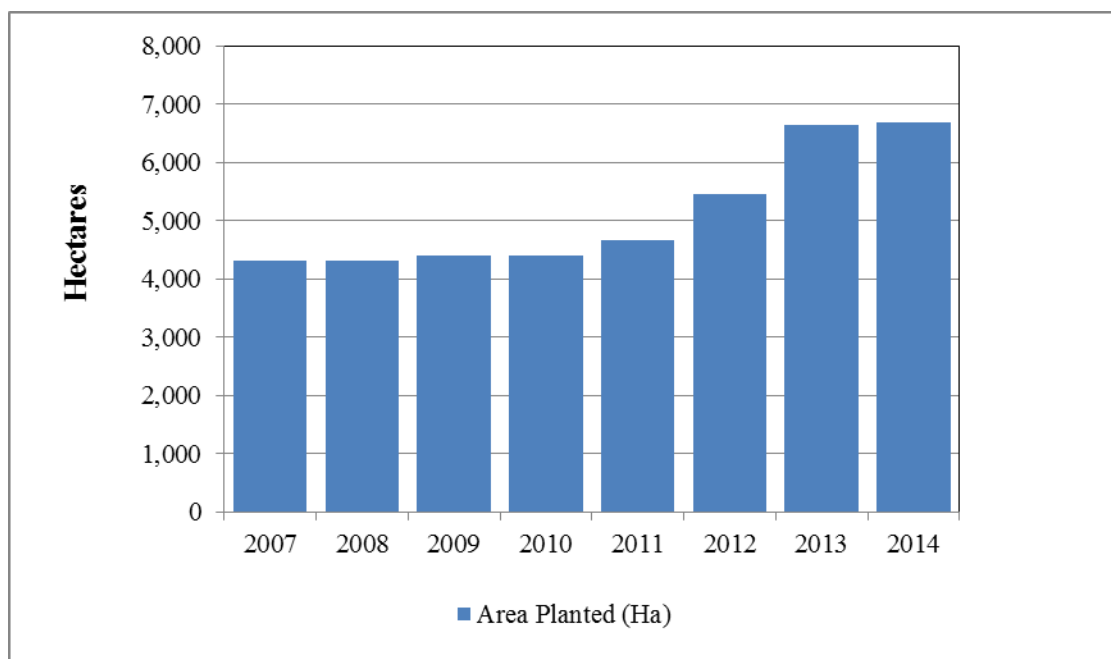
Commodities: Lemons/Limes, Fresh

Production

Post forecasts that the 2014/15 MY production of lemons/limes will increase by two percent to 320,000MT, based on the increase in area planted, normal weather conditions and production increases mainly in the Sunday River Valley, Senwes and Boland. The 2013/14 MY production of lemons/limes was revised upwards to the peak of 312,314 MT based on updated industry data, exceptional good weather conditions and an increase in area planted. The 2012/13 MY production of lemons/limes has been revised upwards to 244,568MT based on published industry data.

Figure 6 shows that the area planted with lemons/limes was flat from the 2006/07 MY to the 2009/10 MY. However, area planted increased gradually from 4,667 hectares in the 2010/11 MY to 6,700 hectares in the 2013/14 MY, in response to increases in demand and prices in the export market.

Figure 6: Area Planted to lemons/lime



Source: CGA

Consumption

Post forecasts that the 2014/15 MY domestic consumption of lemons/limes will increase by seven percent to 14,000 MT due to lower lemon prices and an increase in availability. The 2013/14 MY domestic consumption of lemons/limes have been revised upwards to 13,149 MT and the 2012/13 MY remains at 12,033 MT, based on updated and final industry data.

Lemon juice is used as flavorings for poultry and fish dishes, and a flavor agent in cakes, tarts, biscuits, candies, ice creams and salad dressings. In the beverage industry lemons/lime are used to make lemonade, smoothies and liquors. In the cleaning industry, lemon juice is used as a degreaser and disinfectant, due to its high concentration of citric acid which can inhibit the proliferation of some molds and bacteria.

Exports

Post forecasts that the 2014/15 MY exports of lemons/limes by South Africa will increase by five percent to 230,000 MT, based on the increase in production, weakening rand to the US dollar exchange rate and that the lemon exports were not affected by CBS issues in the EU market. Post revised downwards the 2013/14 MY exports of lemons/limes to 219,617 MT based on updated GTA data. The peak 2013/14 MY exports of 219,617 MT are mainly a result of growth in the Asian and Middle East market, and the weakening rand exchange rate. The 2012/13 MY exports remain unchanged at 175,061 MT based on final GTA data.

Table 16: South African Fresh Lemons/Limes exports

South Africa Export Statistics
Commodity: 080550, Lemons And Limes, Fresh Or Dried

Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	165,828	175,061	219,617
United Arab Emirates	T	33,826	35,191	40,184
Hong Kong	T	11,087	9,784	31,054
Russia	T	19,171	29,310	30,678
Netherlands	T	19,675	15,994	22,312
Saudi Arabia	T	18,828	20,987	19,806
United Kingdom	T	16,222	10,449	12,586
Canada	T	2,620	6,654	9,524
Kuwait	T	8,586	8,522	7,336
Malaysia	T	3,324	4,076	6,576
Germany	T	1,383	5,352	5,776
Italy	T	4,241	2,566	5,590
Singapore	T	2,369	3,419	3,964
Ukraine	T	2,895	4,048	3,313
Qatar	T	2,095	1,621	2,097
Bahrain	T	2,525	2,421	2,026
Vietnam	T	3	458	1,535
Angola	T	1,684	1,269	1,460
Greece	T	777	153	1,146
Georgia	T	924	883	963
Portugal	T	862	170	829
Mozambique	T	576	887	759
Spain	T	51	247	725
Namibia	T	8	91	709
Azerbaijan	T	1,540	2,027	629
Oman	T	1,914	1,554	576

Source: GTA

Imports

Post forecasts that the 2014/15 MY imports of limes/lemons will remain flat at 1,000 MT as a result of sufficient domestic production to meet local demand.

Table 17: South African Fresh Lemons/Limes imports

South Africa Import Statistics
Commodity: 080550, Lemons And Limes, Fresh Or Dried

Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	94	320	677
Spain	T	47	163	399
Brazil	T	1	135	162
Namibia	T	0	0	30
Turkey	T	0	0	29
Russia	T	0	0	25
Swaziland	T	0	0	22
Angola	T	0	0	5
Other Countries NES	T	0	0	4
Egypt	T	0	0	1
El Salvador	T	46	22	0

Source: GTA

Prices

Export markets provide the highest prices for South African lemons/limes. The 58 percent increase in export prices from R6,994 (US\$583 in the 2012/13 MY to R11,058(US\$922) in the 2013/14 MY is mainly due to the increases in export prices and the weakening rand against the US dollar.

Table 18: Lemons/Limes Prices

	Local Market	Export Market	Processed
	Average Price*	Gross Price	Gross Price
	Rand/Ton	Rand/Ton	Rand/Ton
2004	1,525	3,240	338
2005	1,692	1,476	258
2006	1,753	2,478	178
2007	2,460	3,238	396
2008	3,105	3,961	611
2009	3,346	2,120	542
2010	3,940	5,329	731
2011	3,489	5,426	982
2012	4,291	5,426	720
2013	5,668	6,994	596
2014	6,838	11,058	1,288

Source: CGA

Table 19: PSD Lemons/Limes, Fresh

Lemons/Limes, Fresh Market Begin Year South Africa	2012/2013		2013/2014		2014/2015	
	Jan 2013		Jan 2014		Jan 2014	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	5,457	5,457	5,900	6,641	0	6,700
Area Harvested	3,984	3,984	4,400	5,313	0	5,400
Bearing Trees	4,000	4,000	4,300	4,300	0	4,300
Non-Bearing Trees	1,455	1,455	1,600	1,600	0	1,600
Total No. Of Trees	5,455	5,455	5,900	5,900	0	5,900
Production	229	245	287	312	0	320
Imports	0	0	0	1	0	1
Total Supply	229	245	287	313	0	321
Exports	175	175	225	220	0	230
Fresh Dom. Consumption	12	12	12	13	0	14
For Processing	42	58	50	80	0	77
Total Distribution	229	245	287	313	0	321
HECTARES, 1000 TREES, 1000 MT						

Source: PSD Tables and Post forecast

Commodities: Orange Juice

Production

Post forecasts that the production of orange juice will decrease by two percent to 47,604 MT in the 2014/15 MY, based on the decrease in fresh oranges delivered for processing. Post revised upwards the 2013/14 MY and 2012/13 MY production of orange juice to 48,486 MT, and 38,714 MT, respectively, based on the updated quantity of fresh oranges delivered for processing.

Industry coordinated statistics for orange juice are largely unavailable in South Africa. The production, consumption and stock data are comprised of information extracted from various sources, and represent Post's best effort of the South African orange juice supply and distribution statistics.

Consumption

Post forecasts that the 2014/15 MY domestic consumption of orange juice will remain flat at 8,000 MT based on the static domestic demand. The relatively high food price inflation has resulted in restricted growth in the domestic consumption of fruit juices especially the 100% fruit juice, and the shift in demand to orange juice concentrates. The 2013/14 MY consumption was revised upwards to 8,000 MT based on increased production.

Export

Post forecasts that the 2014/15 MY exports of orange juice will increase by 44 percent to 44,502 MT based on the increase in the stock of orange juice and the weakening rand exchange rate. The 2013/14 MY and 2012/13 MY exports of orange juice remained at 30,884 MT and 21,989 MT, respectively, based on final GTA data.

Producers in South Africa prefer to export fresh oranges than to sell to processors as export prices are much higher than sales to processors. Netherlands is the biggest market for South African orange juice exports, followed by Mozambique, Zambia and Zimbabwe.

Table 20: South African Orange Juice exports

South Africa Export Statistics				
Commodity: 200911, Orange Juice, Frozen, Whether Or Not Sweetened; 200912, Orange Juice, Not Frozen, Of A Brix Value Not Exceeding 20; 200919, Orange Juice, Other Than Frozen, Whether Or Not Sweetened				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	21,989	30,884	44,502
Netherlands	T	6,358	11,848	12,314
Botswana	T	0	960	6,055
Mozambique	T	2,041	3,101	4,026
Zimbabwe	T	3,110	1,236	3,412
Swaziland	T	0	570	2,516
Namibia	T	0	398	2,237
Lesotho	T	0	406	2,195
Israel	T	326	1,306	1,855
Zambia	T	1,547	1,367	1,440
Spain	T	0	888	1,217
Congo	T	404	1,014	681

Angola	T	1,012	722	628
India	T	532	156	442
Mauritius	T	332	379	430
United Arab Emirates	T	222	333	358
Italy	T	0	189	323
Philippines	T	171	305	307
United States	T	31	167	245
Madagascar	T	182	282	230
Chile	T	0	21	229
Tanzania	T	212	252	226
Japan	T	363	294	219
Reunion	T	238	245	210
Korea South	T	910	462	199
Nigeria	T	206	259	179
Netherlands Antilles	T	166	151	169

Source: GTA

Imports

Post estimates that the 2014/15 MY imports of orange juice will decrease significantly to 179 MT from 1,363 MT in the 2013/14 MY based on the increases in opening and available stock of orange juice. South Africa only imports a small quantity of orange juice, as there is sufficient domestic production to supply the local market.

Table 21: South African Orange Juice imports

South Africa Import Statistics				
Commodity: 200919, Orange Juice, Other Than Frozen, Whether Or Not Sweetened				
Year Ending: December				
Partner Country	Unit	Quantity		
		2012	2013	2014
World	T	763	1,363	179
Israel	T	0	4	39
Portugal	T	25	30	25
France	T	0	0	18
Zimbabwe	T	21	1,050	17
Thailand	T	16	1	17
United Kingdom	T	7	53	16
Saudi Arabia	T	39	3	8
Cyprus	T	14	10	6
Swaziland	T	0	0	5
China	T	0	0	5

Other Countries NES	T	0	79	5
Mozambique	T	0	0	4
Turkey	T	0	3	4
Korea South	T	0	34	3
United Arab Emirates	T	38	21	3
Taiwan	T	0	0	1
Malaysia	T	3	2	1
Cameroon	T	0	0	1

Source: GTA

Table 22: PSD Orange Juice

Orange Juice Market Begin Year South Africa	2012/2013		2013/2014		2014/2015	
	Apr 2013		Apr 2014		Apr 2015	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Deliv. To Processors	271,248	370,028	334,600	463,430	390,000	455,000
Beginning Stocks	3,033	3,033	3,186	13,121	1,671	24,086
Production	28,379	38,714	35,007	48,486	40,803	47,604
Imports	763	763	1,362	1,363	1,000	179
Total Supply	32,175	42,510	39,555	62,970	43,474	71,869
Exports	21,989	21,989	30,884	30,884	36,000	44,502
Domestic Consumption	7,000	7,400	7,000	8,000	7,000	8,000
Ending Stocks	3,186	13,121	1,671	24,086	474	19,367
Total Distribution	32,175	42,510	39,555	62,970	43,474	71,869

MT

Source: PSD Tables and Post forecast

Policy Issues:

United States cold-sterilization protocol

The Western Cape Province is the major region which exports to the United States under the cold treatment schedule of 24 days to reduce False Codling Moth. Following discussions by the United States Animal Plant Health Inspection Service (APHIS), and the South African Department of Agriculture, Forestry and Fisheries (DAFF), APHIS granted a pilot program to reduce the cold treatment schedule to 22 days which will be hugely beneficial to South Africa in preventing losses estimated to be between six

and fifteen percent due to cold damage. Exports under the pilot program will be destined to the ports of Newark and Philadelphia, and if the program is successful South Africa will also have access to Houston and New Orleans in 2015 and beyond. In September 2014, South Africa successfully exported citrus under this program to the port of Houston.

South African citrus exports from Citrus Black Spot areas to the United States

Currently, South Africa can only export citrus to the United States from official CBS free areas. The CBS free areas are found in the Western Cape and Northern Cape regions, including the magisterial districts of Hartswater and Warrenton, as well as relevant districts of the Free State and North West. On August, 28, 2014, the United States Animal and Plant Health Inspection Service (APHIS), issued a notice proposing to amend the fruits and vegetables regulations to allow the importation of several varieties of fresh citrus fruit, as well as *Citrus* hybrids, into the United States from areas in the Republic of South Africa where citrus black spot has been known to occur. This proposal can be found on the following link; <http://www.regulations.gov/#!documentDetail;D=APHIS-2014-0015-0001>. The deadline for submitting comments closed on October, 27, 2014.

Tightening of the European Market

South African citrus exports enter the EU duty free under the bilateral Trade Development Cooperation Agreement (TDCA). On September, 8, 2014, South Africa voluntarily suspended citrus exports to the European Union (EU) as a precaution not to reach the five CBS detections that could have resulted in the EU further strengthening the citrus import measures or imposing additional restrictions to South African citrus exports. The current EU Commission import measures against CBS which were imposed in 2014 can be found on the following link, http://europa.eu/rapid/press-release_IP-14-614_en.htm. South Africa has indicated that these measures are unscientific and directed at prohibiting South African citrus exports to the EU. The voluntary suspension by South Africa excluded soft citrus and citrus produced in CBS free areas. The South African Minister of Trade and Industry has been quoted by media stating that South Africa will be lodging a formal dispute to the World Trade Organization (WTO) against the EU. Post contacts indicated that while they are in the process of preparing for this appeal, industry has been continuously engaging the EU to address the CBS issue. South Africa is expected to continue to aggressively diversify its citrus exports to other markets.

Custom duties

Table 23 indicates the applicable custom duties when exporting citrus to South Africa

Table 23: Custom duties applicable to exports to South Africa

HS Code	Article description	Unit	Rate of Duty			
			General	EU	EFTA	SADC
08.05	Citrus fruit, fresh or dried:					
0805.10.10	Fresh	kg	4%	free	4%	free
0805.10.90	Other	kg	4%	free	4%	free
0805.20	Mandarins (including tangerines and satsumas); clementines, wilkings and similar					

	citrus hybrids:					
0805.20.10	Fresh	kg	4%	free	4%	free
0805.20.90	Other	kg	4%	free	4%	free
0805.40	Grapefruit, including pomelos:					
0805.40.10	Fresh	kg	4%	free	4%	free
0805.40.90	Other	kg	4%	free	4%	free
0805.50	Lemons (Citrus Limon, Citrus Limonium) and limes (Citrus aurantifolia, Citrus latifolia):					
0805.50.10	Fresh	kg	4%	free	4%	free
0805.50.90	Other	kg	4%	free	4%	free
2009.1	Orange juice					
2009.11	Frozen	kg	25%	free	25%	free
2009.12	Not frozen, of Brix value not exceeding 20	kg	25%	free	25%	free
2009.19	Other	kg	25%	free	25%	free

Source: South African Revenue Services (SARS)

South African import regulation

The following links provides usefull resources and regulations pertaining to importing fruit in South Africa:

Procedures to be followed when exporting fresh citrus to South Africa.

<http://www.nda.agric.za/daDev/sideMenu/plantHealth/docs/importProcedure.pdf>.

Maximum Residue Limits

<http://www.nda.agric.za/daDev/sideMenu/foodSafety/doc/South%20African%20Citrus%20MRLs%202013.pdf>

Agriculture Product Standards Act No 119 of 1990

<http://www.nda.agric.za/daDev/sideMenu/Food%20Import%20&%20Export%20Standard/docs/Agric%20Product%20Standards%20Act%20No%20119%20of%201990.pdf>

Agricultural Pests Amendment Act, 9 of 1992

<http://www.nda.agric.za/daDev/sideMenu/APIS/doc/Agricultural%20Pests%20Act.pdf>

Foodstuffs, cosmetics and disinfectants Act 54 of 1972

<http://www.nda.agric.za/vetweb/Legislation/Other%20acts/Act%20-%20Foodstuffs,%20Cosmetics%20and%20Disinfectants%20Act-54%20of%201972.pdf>

