Required Report - public distribution

Date: 11/8/2018
GAIN Report Number:

South Africa - Republic of

Fresh Deciduous Fruit Annual

Deciduous Fruit Exports Expected to Rebound from the Drought

Approved By:
Kyle Bonsu

Prepared By:
Wellington Sikuka

Report Highlights:
The export of pears and apples is forecast to increase by 4 percent in the 2018/19 MY, while table grapes exports will increase by 8 percent, as the industry starts its recovery from the previous season`s drought. The production of apples and pears is not expected to return to normal production levels until in the 2019/20 MY. South Africa only imports small quantities of deciduous fruits to fulfill a niche market or to satisfy domestic demand when supply is limited. Due to phytosanitary restrictions, the United States only has limited market access of apples from areas that are free of Rhagoletis pomonella (apple maggot). The United States is still negotiating to expand this market access to include areas regulated for apple maggot in the United States.

Commodities:
Apples, Fresh
Pears, Fresh
Grapes, Table, Fresh

Executive Summary

The production of apples is forecast to increase by 4 percent to 850,000 MT in the 2018/19 MY, due to the rise in area planted, normal weather conditions and availability of irrigation water. The export of apples is forecast to increase by 4 percent to 550,000 MT in the 2018/19 MY, due to the increase in production and improvement in the quality standards (e.g. color and size) based on normal weather conditions.

The production of pears is forecast to increase by 3 percent to 420,000 MT in the 2018/19 MY, due to the increase in area planted, normal weather conditions and availability of irrigation water as the Western Cape received a reprieve from the ongoing drought with normal rainfall in 2018. The 2018/19 MY pear exports are forecast to increase by 4 percent to 240,000 MT, based on the increase in production.

The production of table grapes is forecast to increase by 7 percent to 330,000 MT in the 2018/19 MY, due to the increase in area harvested, normal weather conditions and availability of irrigation water. The export of table grapes is forecast to increase by 8 percent to 301,000 MT in the 2018/19 MY, based on the increase in production and continued strong demand from Asia.

About 80 percent of the apple and pear production in South Africa is from the Western Cape, which is a winter rainfall region. The 2018 dam levels have risen and currently stand at 66 percent, compared to 20 percent in 2017. Apple and pear production is not expected to return to normal production levels until in the 2019/20 MY, due to the measures that famers undertook during the 2017/18 MY drought (e.g. farmers cut down trees and removed older orchards to reduce costs and manage irrigation water). The recovery from the drought and return to normal table grape production is expected to be in the 2018/19 MY, due to the climatically diverse growing regions, increase in area planted, and the continued shift to higher yielding varieties.

South Africa`s deciduous fruit industry is export-oriented and prioritizes exporting as much volume as they can before supplying the surplus fruit to the local market. South Africa only imports small quantities of deciduous fruits to fulfill a niche market or to satisfy domestic demand when supply is limited.

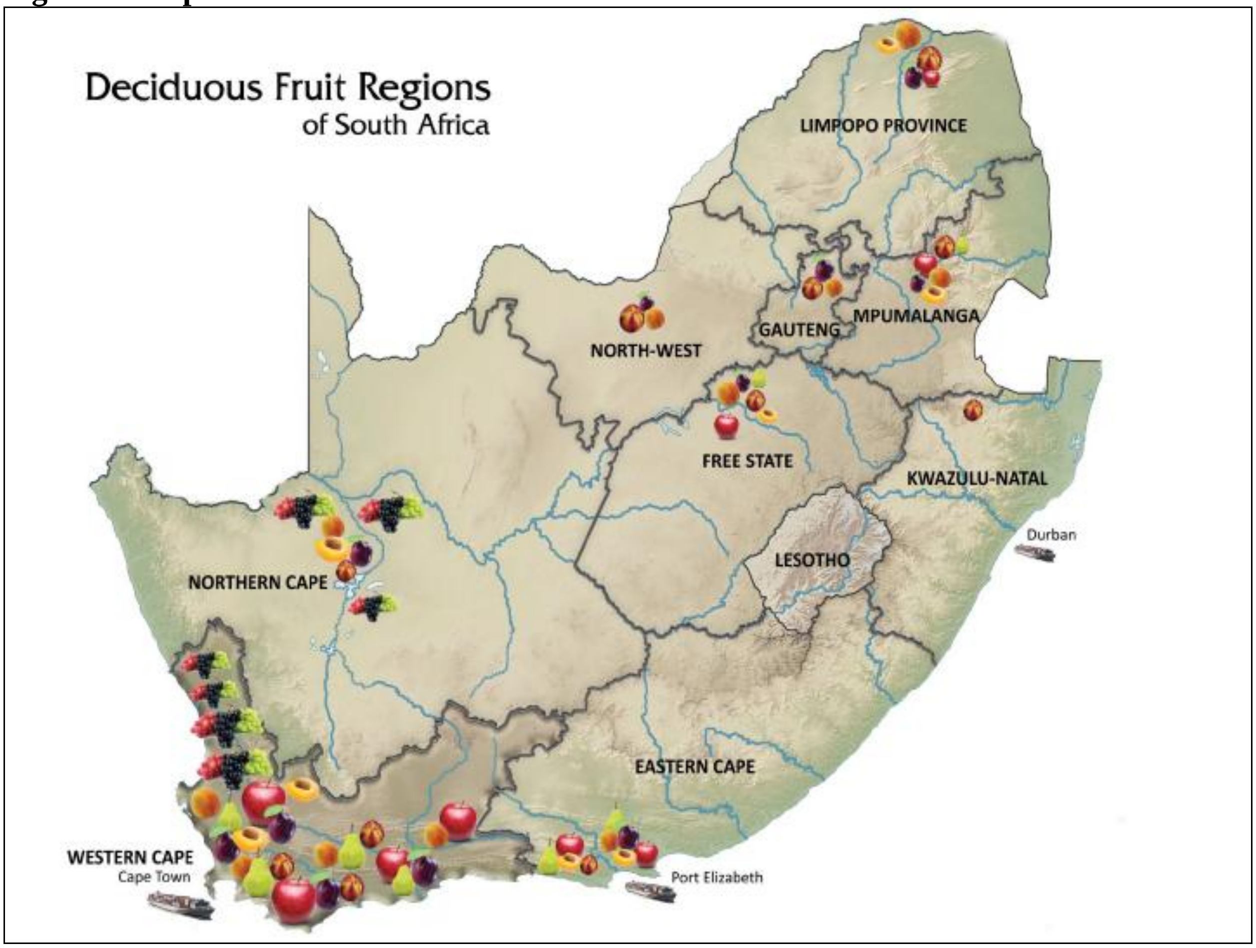
Apples and Pears Marketing Year (MY) – January to December.
Table Grapes MY – October to September.
MT – Metric Tons

Sources
Hortgro - http://www.hortgro.co.za
South African Table Grapes Industry (SATGI) - http://www.satgi.co.za/
Global Trade Atlas (GTA) - http://www.gtis.com/gta/

Background

The Western Cape Province is the largest growing region of deciduous fruits in South Africa, accounting for about 72 percent of the total growing area and production. The other growing regions include the Northern Cape (17 percent), Eastern Cape (8 percent), and very low production (less than 3 percent) in the North-West, Free State, Mpumalanga, and Limpopo Provinces. **Figure 1** shows the deciduous fruit production areas in South Africa.

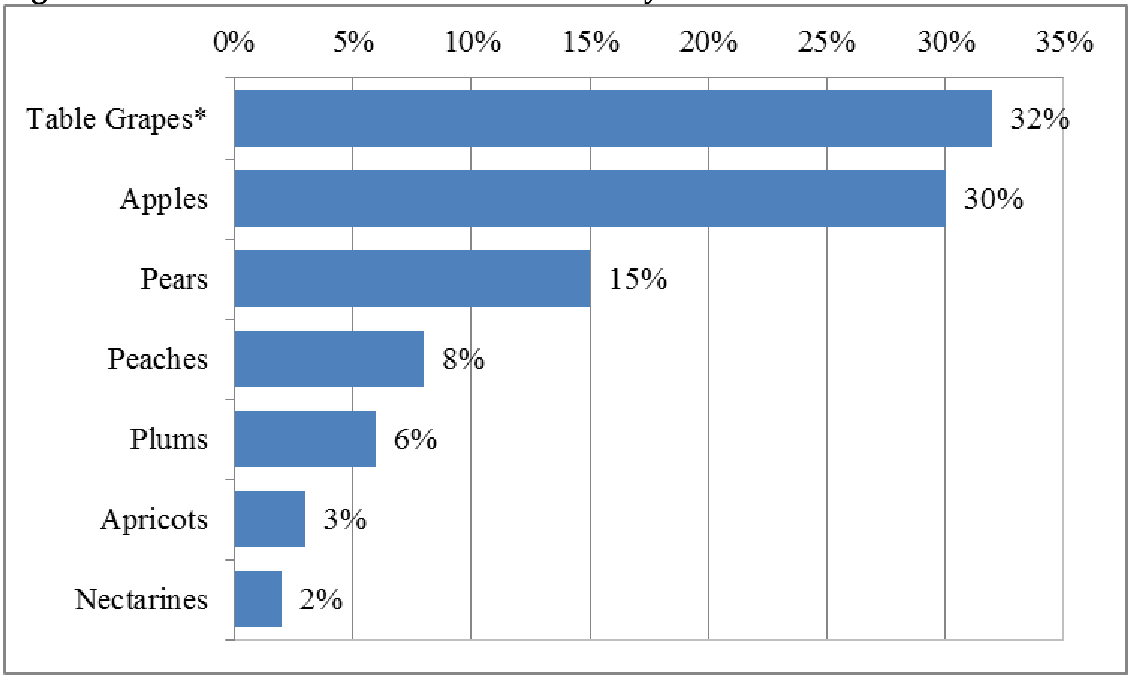
Figure 1: Map of the Deciduous Fruit Production Areas in South Africa



Source: HORTGRO

Deciduous fruit is the largest sub-sector of the South African fruit industry in terms of area planted. In the 2016/17 MY, table grapes (fresh and dried) accounted for about 32 percent of the total area planted to deciduous fruits, followed by apples (30 percent), pears (15 percent), peaches (8 percent), plums (6 percent), apricots (3 percent) and nectarines (2 percent). **Figure 2** shows the distribution of the deciduous fruit industry based on area planted.

Figure 2: Distribution of the Deciduous Fruit by Area Planted



*Fresh and Dried.
Source: HORTGRO

The South African Table Gapes Producers Association (SATGI) represents and supports the interests of table grapes producers. Apple and pear producers are members of the South African Apple and Pear Producers Association (SAAPPA). Other organizations providing services to the deciduous fruit industry include HORTGRO (production, markets, and transformation within the deciduous fruit industry); HORTGRO Science (research and technology within the deciduous fruit industry); SAPO Trust (fruit plant material provider in South Africa); PLANT SA (Management and provision of administrative services in support of plant improvement and plant certification in the interests of horticulture in South Africa); CULDEVCO (Manages cultivar development, more than 150 deciduous fruit varieties, and apple and stone fruit rootstock specifically developed for South African growing conditions); and DFDC (The representative body for black deciduous fruit growers aiming to increase the participation of the previously disadvantaged in the mainstream agricultural economy).

Apples, Fresh:

Production

The production of apples is forecast to increase by 4 percent to 850,000 MT in the 2018/19 MY, from 814,443 MT in the 2017/18 MY. This is due to the increase in area planted, normal weather conditions and availability of irrigation water as the Western Cape received normal rainfall in 2018. About 80 percent of the apple production in South Africa is from the Western Cape, which is a winter rainfall region. The 2018 winter rainfall will be used for irrigation in the following year in 2019. Dam levels are currently at 66 percent in 2018, compared to 20 percent at the same time in 2017. Apple production is expected to return to normal production levels in the 2019/20 MY, based on measures that famers undertook during the 2017/18 MY drought (e.g. some farmers cut down trees and removed older orchards in order to reduce costs and manage irrigation water).

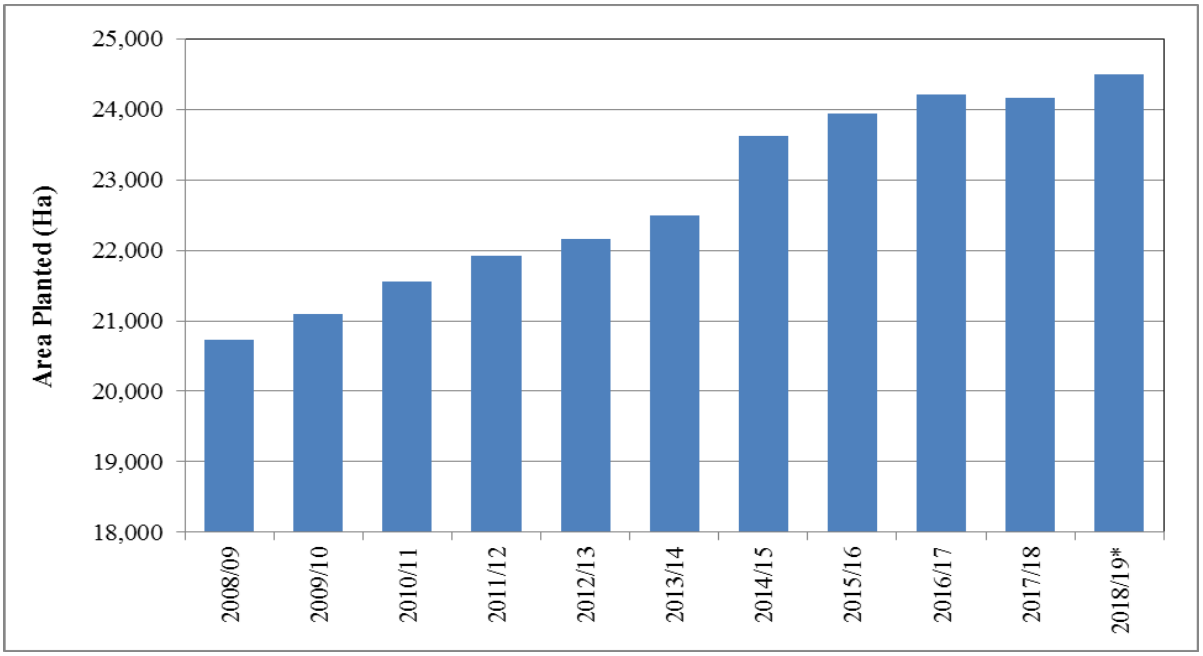
The Western Cape is the heartland of deciduous fruit production, with a cool climate similar to the Mediterranean, which is favorable for apple production. Ceres is the largest apple growing region accounting for 29 percent of the area planted, followed by Groenland (27 percent), Langkloof East (18 percent) and Villiersdorp (15 percent). Harvest for South African apples typically begins at the end of January and runs through to June, with peak harvest times falling between February and April. Notably, apples can be stored and are available throughout the year.

Area Planted

The area planted to apples has steadily increased over the past decade as shown in **Figure 3**. This has been driven by investment into the sector due to increased earnings from the export market and higher returns from apple farming relative to other crops. Increases in area planted are both from new land under cultivation and land being diverted from wine grapes. Post forecasts that the area planted to apples in the 2018/19 MY will increase by 1 percent to 24,500 hectares, from 24,156 hectares in the 2017/18 MY, due to normal weather conditions, and new orchards coming into production as the industry starts its recovery from the 2017/18 MY drought.

The Golden Delicious cultivar is the most planted cultivar accounting for 24 percent of the total area planted in South Africa, followed by the Granny Smith cultivar at 18 percent. Other cultivars which have been growing steadily are Gala (16 percent), Pink Lady (10 percent) and Fuji (9 percent).

Figure 3: Area Planted to Apples in South Africa



*Forecast.
Source: HORTGRO

Consumption

Domestic consumption of apples is forecast to increase by 1 percent to 190,000 MT in the 2018/19 MY, from 188,000 MT in the 2017/18 MY. This is due to the increase in production, but partially offset by the depressed consumer demand because of the challenging economic environment characterized by low economic growth and high inflation.

Over the past years, growth in domestic consumption has largely been driven by the increasing preference for fresh fruit over processed fruit from a growing middle class. Apples are popular in South Africa and are widely consumed throughout the year. As a result, apples form part of the national food basket of goods monitored by the National Agricultural Marketing Council (NAMC) to track food price inflation. However, the per capita consumption of apples in South Africa is still relatively low at about 4kg, compared to other countries such as the United States (about 7kg) and Europe (about 15kg).

Exports

The export of apples is forecast to increase by 4 percent to 550,000 MT in the 2018/19 MY, from 529,000 MT in the 2017/18 MY. This is due to the increase in production and improvement in the quality standards e.g. color and size based on normal weather conditions. The 2017/18 MY apple exports were revised upwards to 529,000 MT, based on higher than expected exports as the industry prioritized the export market, and the pace of exports up to August 2018. The 2016/17 MY exports remains unchanged at 553,112 MT based on final Global Trade Atlas data.

The United Kingdom is the largest single country market for South African apple exports accounting for 28 percent of the total exports in 2017, followed by Malaysia (9 percent), Nigeria (6 percent), Bangladesh (6 percent), and United Arab Emirates (3 percent). However, Africa is the largest regional export market accounting for about 40 percent, followed by the European Union (EU) at 30 percent, and Asia at 19 percent. Exports to Africa are largely driven by strong demand, limited competition in these markets and that apples have a longer shelf life which can handle the suboptimal handling conditions. Notably, South Africa has a free trade agreement with the EU. The potential impact of Brexit to South African apple exports is still uncertain, but industry contacts expect no disruptions to this market as South Africa continues to undertake extensive marketing and advertisement of its apples in the United Kingdom. Exports to the United States are minimal at below 100 MT, due to the higher shipping costs and the challenges of maintaining the right quality and shelf life of the apples. **Table 1** shows the breakdown of the major export countries for South African apples.

Table 1: South African Fresh Apple Exports

South Africa Export Statistics				
Commodity: 080810, Apples, Fresh				
Year Ending: December				
Partner Country	Unit	Quantity		
		2015	2016	2017
World	T	465,703	510,849	553,112
United Kingdom	T	87,828	107,614	153,104
Malaysia	T	53,651	51,290	48,422
Nigeria	T	55,395	41,121	35,949
Bangladesh	T	17,778	25,082	35,068
United Arab Emirates	T	19,360	23,207	18,633
Russia	T	7,857	14,739	17,781
Kenya	T	15,482	18,166	17,089
Senegal	T	11,038	13,342	14,942
Netherlands	T	15,215	16,773	14,874
Botswana	T	11,376	13,006	12,406
Taiwan	T	7,128	13,495	12,344
Zambia	T	14,543	14,113	11,329
Zimbabwe	T	13,713	13,947	10,883
Singapore	T	12,745	11,378	10,385
Angola	T	12,743	8,725	10,012
Namibia	T	9,813	9,576	9,698
Ghana	T	7,358	9,256	8,626
Mozambique	T	5,457	6,362	7,109
Swaziland	T	6,839	6,549	6,729
Cameroon	T	4,886	6,403	6,500
Mauritius	T	6,056	6,333	6,454

Source: Global Trade Atlas (GTA)

Imports

South Africa is a net exporter of apples, and only imports apples to fulfill niche markets or satisfy domestic demand when supply is limited as shown in **Table 2**. The customs duties payable on imports is shown in **Table 3**. United States exports are subject to a 4 percent customs duty. The United States currently has market access for apples from areas free of Rhagoletis pomonella (apple maggot). A market expansion request to include apples from areas regulated for apple maggot is still being negotiated by the United States and South Africa government. U.S apples are desired for their big size, red color and may have market opportunities in South Africa during periods of low supply or when its offseason.

Table 2: South African Fresh Apple Imports

South Africa Import Statistics				
Commodity: 080810, Apples, Fresh				
Year Ending: December				
Partner Country	Unit	Quantity		
		2015	2016	2017
World	T	4	62	115
Singapore	T	0	0	25
Taiwan	T	0	0	23
United Arab Emirates	T	0	23	23
Malaysia	T	0	0	22
Russia	T	0	0	22

Source: GTA

Table 3: Tariff Rates, Fresh Apples

Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	Mercosur
0808.10	9	Apples, fresh	kg	4%	Free	4%	Free	4%

Source: South African Revenue Services (SARS)

Table 4: PSD - Apples, Fresh

Apples, Fresh	2016/2017		2017/2018		2018/2019	
Market Begin Year	Jan 2017		Jan 2018		Jan 2019	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Planted	24212	24212	23000	24156	0	24500
Area Harvested	21900	21900	19000	18842	0	20000
Bearing Trees	27200	27200	25000	25000	0	26000
Non-Bearing Trees	3100	3100	3000	3000	0	3300
Total Trees	30300	30300	28000	28000	0	29300
Commercial Production	902130	902130	800000	814443	0	850000
Non-Comm. Production	0	0	0	0	0	0
Production	902130	902130	800000	814443	0	850000
Imports	550	115	130	70	0	70
Total Supply	902680	902245	800130	814513	0	850070
Fresh Dom. Consumption	205447	205000	190000	188000	0	190000
Exports	553100	553112	485000	529000	0	550000
For Processing	144133	144133	125130	97513	0	110070
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	902680	902245	800130	814513	0	850070
(HA) ,(1000 TREES) ,(MT)						

Pears, Fresh:

Production

The production pf pears is forecast to increase by 3 percent to 420,000 MT in the 2018/19 MY, from 408,146 MT in the 2017/18 MY. This is due to the increase in area planted, normal weather conditions and availability of irrigation water as the Western Cape received normal rainfall in 2018. Similar to apples, about 79 percent of the pear production is in the Western Cape, which is a winter rainfall region. The 2018 winter rainfall is used for irrigation in the following year in 2019. As of November 2018, dam levels sit at 64 percent in 2018, compared to 20 percent at the same time in 2017. The low dam levels in 2017 resulted in a 5 percent decrease in production to 408,146 MT in the 2017/18 MY, from 431,535 MT in the 2016/17 MY. Pear production is only expected to return to normal production levels in the 2019/20 MY, based on measures that famers undertook during the 2017/18 MY drought (e.g. some farmers cut down trees and removed older orchards in order to reduce costs and manage irrigation water.)

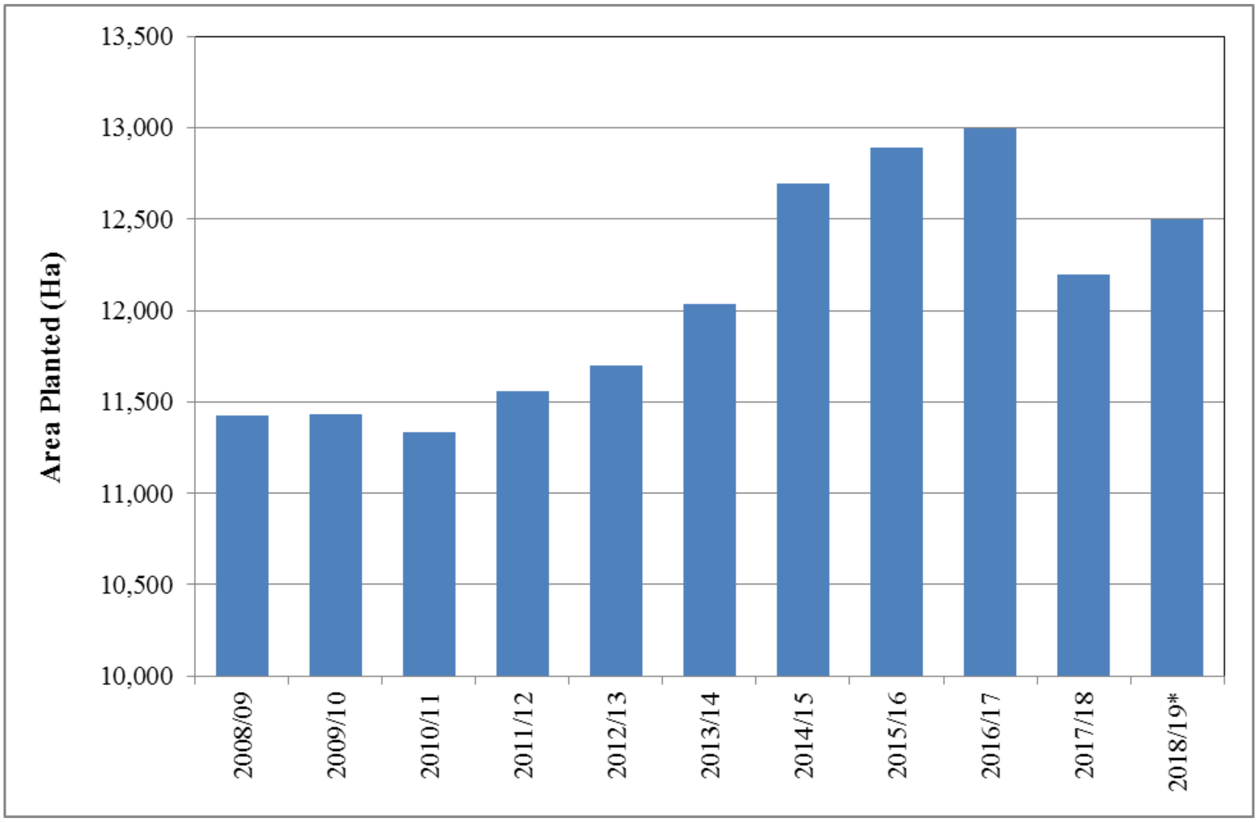
Pears grow well in areas that do not experience very high temperatures. Hence, the Western Cape is the heartland for pear production, accounting for 79 percent of the total production in South Africa.

Area Planted

Figure 4 shows that the area planted with pears has increased steadily since the 2010/11 MY. This was driven by increased earnings from the export market and higher returns, which attracted investment into the fruit sector. The area planted to pears is forecast to increase by 2 percent to 12,500 hectares in the 2018/19 MY, from 12,200 hectares in the 2017/18 MY, as the industry starts its recovery from the drought.

The major growing area for pears is Ceres, which accounts for about 37 percent of the total area planted in South Africa, followed by Langkloof East (14 percent), Groenland (12 percent), Wolseley/Tulbagh (11 percent), Klein Karoo (9 percent) and Villiersdorp (8 percent). Pears are normally harvested from late December to early January. Packham's Triumph contributes about 34 percent to the total area planted and is the most popular pear variety, followed by Forelle (26 percent), William Bon Chretien (20 percent) and Abate Fetel (6 percent).

Figure 4: Area Planted to Pears in South Africa



*Forecast.
Source: HORTGRO

Consumption

Domestic consumption of pears is forecast to increase by 2 percent to 43,000 MT in the 2018/19 MY, from 42,000 MT in the 2017/18 MY, due to the increase in production. Pears and apples are close substitutes in the domestic market, although there seems to be a preference for apples. The per capita consumption of pears in South Africa at 1kg is still relatively lower than apples (4kg), and compared to other countries such as those in Europe, whose pear per capita consumption is about 4kg.

Exports

The 2018/19 MY pear exports are forecast to increase by 4 percent to 240,000 MT, from 230,000 MT in the 2017/18 MY, based on the increase in production. The EU is South Africa`s leading export market accounting for about 49 percent of total pear exports, followed by Asia (16 percent), Africa (8 percent) and the Middle East (5 percent). Exports to the United States are low and have been stable over the past years ranging between 800 to 1,000 MT.

Table 5: South African Fresh Pears Exports

South Africa Export Statistics

Commodity: 080830, Pears, Fresh				
Year Ending: December				
Partner Country	Unit	Quantity		
		2015	2016	2017
World	T	205,198	250,255	265,595
Netherlands	T	47,265	63,561	68,447
Russia	T	14,897	19,550	34,386
United Arab Emirates	T	22,022	25,170	23,674
United Kingdom	T	14,552	13,283	20,588
Germany	T	13,501	12,887	9,891
India	T	6,029	7,681	9,217
France	T	7,200	9,492	9,203
Indonesia	T	3,570	7,847	8,401
Saudi Arabia	T	5,577	8,585	7,959
Italy	T	8,708	7,842	7,757
Malaysia	T	8,565	9,149	7,360
Canada	T	3,921	8,194	7,332
Portugal	T	3,792	5,774	5,899
Hong Kong	T	7,125	8,404	5,285
Singapore	T	4,308	4,384	4,318
Oman	T	1,588	2,058	3,403
Nigeria	T	3,819	3,221	2,630
Mauritius	T	1,918	2,157	2,384
Vietnam	T	1,168	1,119	2,153
Botswana	T	1,793	2,074	1,926
Angola	T	1,954	1,526	1,843
Spain	T	1,439	1,932	1,473
Bahrain	T	1,094	1,298	1,399
Jordan	T	763	669	1,353
Namibia	T	1,374	1,131	1,267
Kuwait	T	411	1,058	1,141
Swaziland	T	1,095	1,131	1,073
Greece	T	849	1,412	1,060
Ireland	T	899	1,286	985
Senegal	T	595	1,148	969
Mozambique	T	858	1,638	883
United States	T	1,062	1,195	752

Source: GTA

Imports

As the second largest pear producer in the Southern Hemisphere after Argentina, South Africa only imports minimal quantities of pears mainly from China. Imports from China began after a 2007 protocol that allowed imports of Chinese pears into the South Africa market. The South Africa and China protocol is available on the following link: http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/protocol_pear_China.pdf . The United States currently has no market access for pear exports to South Africa. In July 2010, the United States requested market access for pears; this request was followed up in 2014 and has not been finalized. If South Africa grants access, United States exports of pears would be subject to a 4 percent customs duty as shown in **Figure 7**.

Table 6: South African Fresh Pears Imports

South Africa Import Statistics				
Commodity: 080830, Pears, Fresh				
Year Ending: December				
Partner Country	**Unit**	**Quantity**		
		2015	**2016**	**2017**
World	T	144	89	123
China	T	119	65	103
Malaysia	T	0	0	20
Russia	T	0	24	0
Germany	T	24	0	0

Source: GTA

Table 7: Tariff Rates, Fresh Pears

Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	**EU**	**EFTA**	**SADC**	**Mercosur**
0808.30	8	Pears, fresh	kg	4%	Free	4%	Free	4%

Source: SARS

Table 8: PSD - Pears, Fresh

Pears, Fresh	2016/2017	2017/2018	2018/2019

Market Begin Year	Jan 2017		Jan 2018		Jan 2019	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	13000	13000	12000	12200	0	12500
Area Harvested	12000	12000	11500	11500	0	11800
Bearing Trees	15300	15300	14500	15000	0	15500
Non-Bearing Trees	1000	1000	700	800	0	1000
Total Trees	16300	16300	15200	15800	0	16500
Commercial Production	431535	431535	400000	408146	0	420000
Non-Comm. Production	0	0	0	0	0	0
Production	431535	431535	400000	408146	0	420000
Imports	200	123	150	150	0	130
Total Supply	431735	431658	400150	408296	0	420130
Fresh Dom. Consumption	41072	47000	43020	42000	0	43000
Exports	271600	265595	240000	230000	0	240000
For Processing	119063	119063	117130	136296	0	137130
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	431735	431658	400150	408296	0	420130
(HA) ,(1000 TREES) ,(MT)						

Table Grapes, Fresh:

Production

The production of table grapes is forecast to increase by 7 percent to 330,000 MT in the 2018/19 MY, from 307,541 MT in the 2017/18 MY. This is based on the increase in area harvested, normal weather conditions and availability of irrigation water. The recovery from the drought and return to normal table grape production is expected to be in the 2018/19 MY, due to the climatically diverse growing regions in the Western Cape Province and Northern Cape Province, increase in area under production, and the continued shift to higher yielding new varieties.

The major growing areas for table grapes are the Hex River and Berg River regions in the Western Cape Province, accounting for 54 percent of the total area planted, followed by the Orange River and Olifants River regions in the Northern Cape Province, accounting for 35 percent of the total area planted. Grapes are normally harvested from October to May. Harvest starts in week 43 (beginning of October) in the Northern Cape Region. The Hex River valley is the last region for table grapes harvesting.

Table 9: Table Grapes Area Planted per Region

Growing Regions	2015/16		2016/17		2017/18	
	Area Planted (Ha)	**Percentage**	**Area Planted (Ha)**	**Percentage**	**Area Planted (Ha)**	**Percentage**
Hex River	6,154	33%	6,453	33%	6,397	30%
Orange River	5,367	29%	5,688	29%	6,147	29%
Berg River	4,237	23%	4,459	23%	5,109	24%
Northern Provinces *	1,577	8%	1,737	9%	2,096	10%
Olifants River	1,240	7%	1,337	7%	1,318	6%
Total	**18,575**	**100%**	**19,674**	**100%**	**21,067**	**100%**

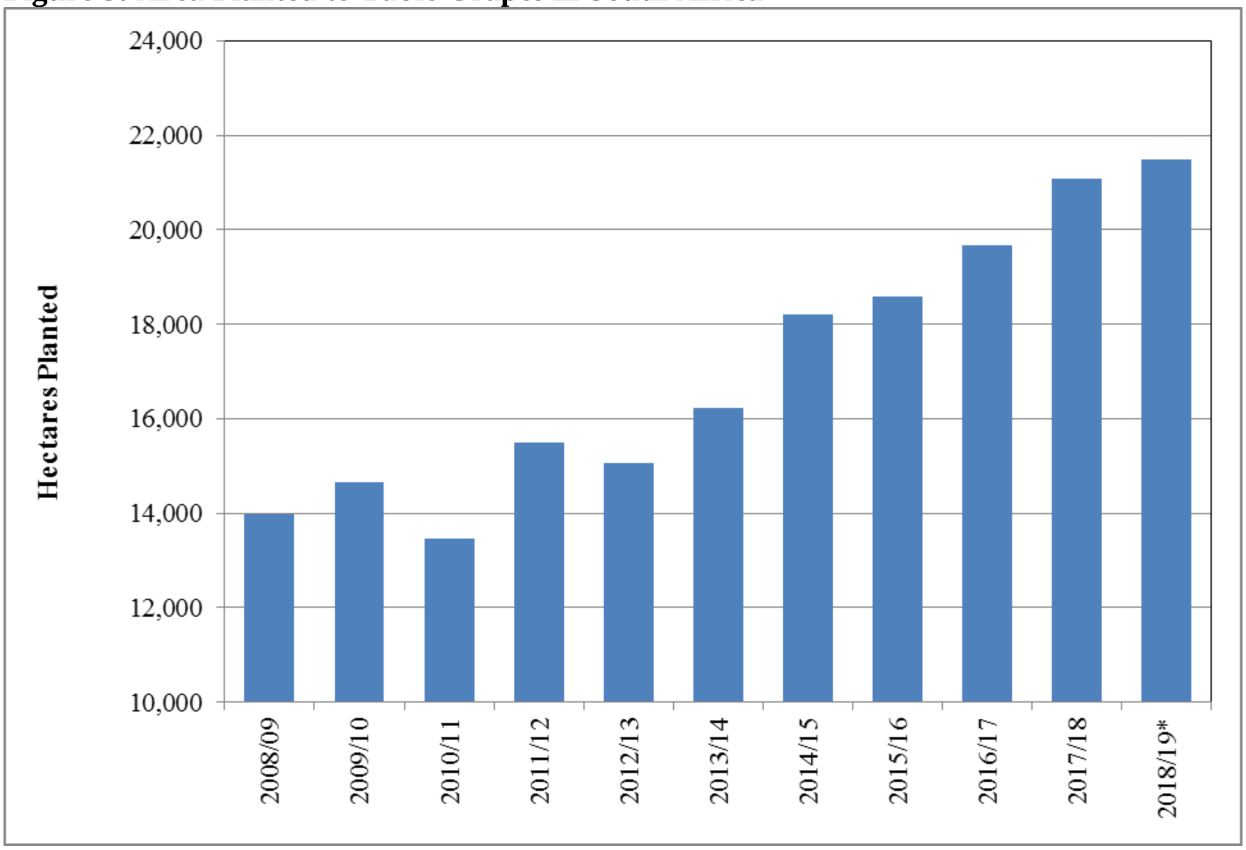
*The Northern Province includes all the growers in the Limpopo Province.
Source: South African Table Grapes Industry (SATGI)

The leading varieties of table grapes based on area planted are Crimson Seedless at 24 percent, followed by the Prime (9 percent), Thomson Seedless (8 percent), Flame Seedless (7 percent), Sugraone (6 percent), Redglobe (6 percent) and the Sugrathirteen (5 percent) variety. The cultivar profile in South Africa has changed over the past decade. Seeded cultivars are declining as consumers prefer seedless grapes, and therefore the production of seedless table grapes varieties has increased. The popularity of seedless cultivars stems from their characteristics such as large berry size (with elongated or oval berry shapes), favorable texture (crunchiness) and good eating qualities.

Area Planted

The area planted to table grapes is forecast to increase by 2 percent to 21,500 hectares in the 2018/19 MY, from 21,067 hectares in the 2017/18 MY. This is based on new orchards coming into full production, and some wine grapes being converted to table grapes. For more information on wine production refer to the following South African Wine GAIN Reportusda\Wellinton. **Figure 5** shows that the area planted to table grapes has been increasing steadily since 2008. This increase is correlated to the weakening of the rand and increased revenues received as the industry is export-oriented.

Figure 5: Area Planted to Table Grapes in South Africa



**Forecast.*
Source**:** SATGI

Consumption

Domestic consumption of table grapes is forecast to increase by 4 percent to 36,000 MT in the 2018/19 MY, from 34,486 MT in the 2017/18 MY, due to the increase in production. The supply of table grapes to the domestic market and consequently consumption in South Africa is dependent on the export market. Table grapes that cannot be sold on the export market, including those that do not meet export quality standards, are sold to the domestic market.

Exports

The export of table grapes is forecast to increase by 8 percent to 301,000 MT in the 2018/19 MY, from 279,970 MT in the 2017/18 MY, based on the increase in production and strong demand from the Asian markets. The EU is the leading historical export market for South African table grapes, accounting for at least 75 percent of table grape exports. South Africa benefits from a shorter shipping distance than other Southern Hemisphere competitors, strong demand for seedless varieties, and a free trade agreement with the EU. Exports to Asia (12 percent), the Middle East (6 percent) and Africa (4 percent) also have strong growth potential and are becoming a core focus for South Africa. Export volumes to the United States and Canada have grown significantly over the past years as well, but are still at below 12,000 MT and accounted for about 3 percent of the total exports in the 2016/17 MY.

In November 2016, China relaxed its cold treatment protocols to address False Coddling Moth (FCM) for South African table grapes. The new protocol changed the protocol requirement from -0.6°C for 22 days to +0.8°C for a minimum of 20 days. Post contacts indicated that there are high possibilities that in the future, South Africa could submit a similar request for the United States to relax its cold treatment protocols for South African table grapes.

Table 10: South African Fresh Table Grapes Exports

Season (Oct. - Sept.)	Exports (MT)
2004/2005	210,823
2005/2006	230,896
2006/2007	227,265
2007/2008	224,123
2008/2009	217,875
2009/2010	234,579
2010/2011	202,500
2011/2012	245,797
2012/2013	234,463
2013/2014	226,401
2014/2015	263,452
2015/2016	254,969
2016/2017	304,284
2017/2018	279,970
2018/2019*	301,000

*Forecast.
Source: South African Table Grapes Industry

Imports

South Africa is a net exporter of table grapes, and imports are mainly to fill the gap when South Africa is out of the season or has low volumes from around July to November. Spain, Namibia and Egypt are the primary suppliers as shown in **Table 11**. The customs duties applicable to different countries are shown in **Table 12**. The United States does not have market access for table grapes into South Africa. However, if access is granted to the United States, exports would be subject to a 4 percent customs duty.

Table 11: South African Fresh Table Grapes Imports

South Africa Import Statistics					
Commodity: 080610, Grapes, Fresh					
Year Ending: December					
		Quantity			
Partner Country	Unit	**2013/14**	**2014/15**	**2015/16**	**2016/17**
World	T	5,355	5,030	5,891	7,082
Spain	T	2,456	2,657	2,849	3,045
Egypt	T	1,462	1,220	1,759	2,645
Namibia	T	1,272	880	1,063	1,051
Russia	T	0	0	37	58
Zambia	T	113	196	126	54
United Arab Emirates	T	0	20	0	35
Germany	T	0	19	0	35
Singapore	T	0	0	0	29
Turkey	T	0	0	20	20
Saudi Arabia	T	0	0	20	20
Hong Kong	T	0	0	0	19
Israel	T	0	22	0	18
Norway	T	0	12	15	0
United Kingdom	T	3	0	0	0
France	T	0	6	0	0

*Imports from January to March.
Source: GTA

Table 12: Tariff Rates, Fresh Table Grapes

Heading / Subheading	**CD**	**Article Description**	**Statistical Unit**	**Rate of Duty**				
				General	**EU**	**EFTA**	**SADC**	**Mercosur**
0806.10	1	Grapes, fresh	kg	4%	Free	4%	Free	4%

Source: SARS

Table 13: PSD; Table Grapes, Fresh

Grapes, Fresh Table	2016/2017		2017/2018		2018/2019	
Market Begin Year	Oct 2016		Oct 2017		Oct 2018	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Planted	19500	19674	19000	21067	0	21500
Area Harvested	17200	17200	16000	16000	0	16500
Commercial Production	334000	334284	280000	307541	0	330000
Non-Comm. Production	0	0	0	0	0	0
Production	334000	334284	280000	307541	0	330000
Imports	7300	7082	7000	6915	0	7000
Total Supply	341300	341366	287000	314456	0	337000
Fresh Dom. Consumption	37300	37082	37000	34486	0	36000
Exports	304000	304284	250000	279970	0	301000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	341300	341366	287000	314456	0	337000
(HA) ,(MT)						

Policies and Regulations:

Table 14 provides a list of the regulations applicable to apples, pears and table grapes in South Africa. Exporters should also be aware that an importer may request additional certifications over and above the minimum legislation and regulations indicated in this section. For more information on regulations refer to the Food and Agricultural Import Regulations and Standards (FAIRS) report.

Table 14: List of Key Legislations and Regulations

Policy or Regulation	Link
Agriculture Product Standards Act No 119 of 1990	http://www.nda.agric.za/doaDev/sideMenu/Food percent20Import percent20& percent20Export percent20Standard/docs/Agric percent20Product percent20Standards percent20Act percent20No percent20119 percent20 percent20of percent201990.pdf
Agricultural Pests, Act, 36 of 1983	**Agricultural Pests Amendment Act, 9 of 1992** http://www.nda.agric.za/doaDev/sideMenu/APIS/doc/Agricultural percent20Pests percent20Act.pdf
Foodstuffs, cosmetics and disinfectants Act 54 of 1972	http://www.nda.agric.za/vetweb/Legislation/Other percent20acts/Act percent20- percent20Foodstuffs, percent20Cosmetics percent20and percent20Disinfectants percent20Act-54 percent20of percent201972.pdf
Procedures for exporting to South Africa	http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/importProcedure.pdf.
Maximum Residue Limits	http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Food-Safety-Quality-Assurance/Maximum-Residue-Limits
Regulations relating to standards, grading, packing and marking	**Apples** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Apples_regulations.pdf **Pears** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Pears_regulations.pdf **Grapes** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/gg35395 percent20nn422 percent20APS percent20table percent20grapes.pdf

Source: South African Department of Agriculture Fisheries and Forestry (DAFF)

Prices

The apple and pear prices shown in **Table 15** are the average prices (Rand/Ton) earned in the respective markets. The increase in apple and pear export prices from the 2004/05 MY to the 2015/16 MY is mainly due to the depreciation of the rand. In the 2016/17 MY and 2017/18 MY, the rand strengthened against the United States dollar which is expected to lower average export prices. The export market for pears and apples remains lucrative from a price perspective in comparison to the local and processed markets.

Table 15: Price of Apples and Pears

	APPLES			**PEARS**		
	Local Market	**Export Market**	**Processed Market**	**Local Market**	**Export Market**	**Processed Market**
Season	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**
2003/2004	2,109	3,794	336	1,977	4,059	495
2004/2005	2,310	3,638	341	2,128	3,861	491
2005/2006	2,580	3,791	373	2,304	3,786	573
2006/2007	2,799	4,363	447	2,664	4,680	715
2007/2008	3,618	5,419	1,071	3,222	5,704	973
2008/2009	3,568	5,834	786	3,452	6,336	1,035
2009/2010	3,656	5,881	534	3,454	6,144	810
2010/2011	4,326	6,210	737	3,856	6,612	896
2011/2012	4,470	6,531	1,146	4,191	6,803	1,115
2012/2013	4,845	8,658	1,137	4,650	8,835	1,316
2013/2014	4,944	10,136	1,141	4,815	9,900	1,376
2014/2015	5,024	10,689	1,142	5,164	9,977	1,561
2015/2016	5,556	10,815	1,431	5,605	11,157	1,861
2016/2017	5,554	9,651	1,336	5,677	10,029	1,593

*1US$ = R14.
Source: HORTGRO

Information on table grape prices is unavailable.