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GAIN Report

Global Agricultural Information Network

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South Africa - Republic of

Fresh Deciduous Fruit Semi-annual

Deciduous Fruit Production and Exports under Severe Pressure from the Drought

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Report Highlights:

The severe drought in the Western Cape, will severely impact the availability of irrigation water in the 2017/18 MY. As a result, the 2017/18 MY production and export of deciduous fruits is expected to decrease significantly. The impact of the drought to the 2017/18 MY production could have been more severe; however, the effect was partially offset by new orchards that came into full production.

United States apples from areas free of *Rhagoletis pomonella* (apple maggot) are desired for their big size and may have market opportunities in South Africa during periods of low supply or when its offseason.

Commodities:

Apples, Fresh

Pears, Fresh

Grapes, Table, Fresh

Executive Summary

About 80 percent of the apple and pear production in South Africa is from the Western Cape, which is a winter rainfall region and is currently undergoing a severe drought. The below-average winter rainfall received in 2017 and the low dam levels (about 20 percent) will severely impact the availability of irrigation water in the 2017/18 MY by up to 60 percent. As a result, apple and pear production is expected to decrease in the 2017/18 MY.

The 2017/18 MY apple production is expected to decrease by 11 percent to 800,000 MT. This is due to the decrease in area harvested, limited irrigation water, lower yields, smaller fruit sizes, and fruit damage from hail, windstorms and severe sunburn. Exports of apples are estimated to decrease by 12 percent to 485,000 MT in the 2017/18 MY, based on the available production and sub-standard export quality of some fruits (e.g. color, size and limited shelf life) due to the drought conditions.

Pear production in the 2017/18 MY is estimated to decrease by 7 percent to 400,000 MT, due to the decrease in area harvested, limited irrigation water, lower yields and smaller fruit sizes. As a result, the 2017/18 MY pear exports are expected to decrease by 10 percent to 240,000 MT.

Post estimates that the 2017/18 MY table grape production will decrease by 16 percent to 280,000 MT, based on the decrease in area harvested, limited irrigation water, severe sunburn and small fruit sizes in the Western Cape growing regions. This decrease was partially offset by the higher yielding new varieties, as well as normal production and growing conditions in the Orange River region of the Northern Cape. As a result, the 2017/18 MY table grape exports are expected to decrease by 17 percent to 252,000 MT.

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. Thus, the 2017/18 MY domestic consumption of apples, pears and table grapes is expected to decrease based on the lower production. 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 MY – Marketing Year (January to December)

Table Grapes MY – Marketing Year (October to September)

MT – Metric Tons

Sources

Hortgro - <http://www.hortgro.co.za>

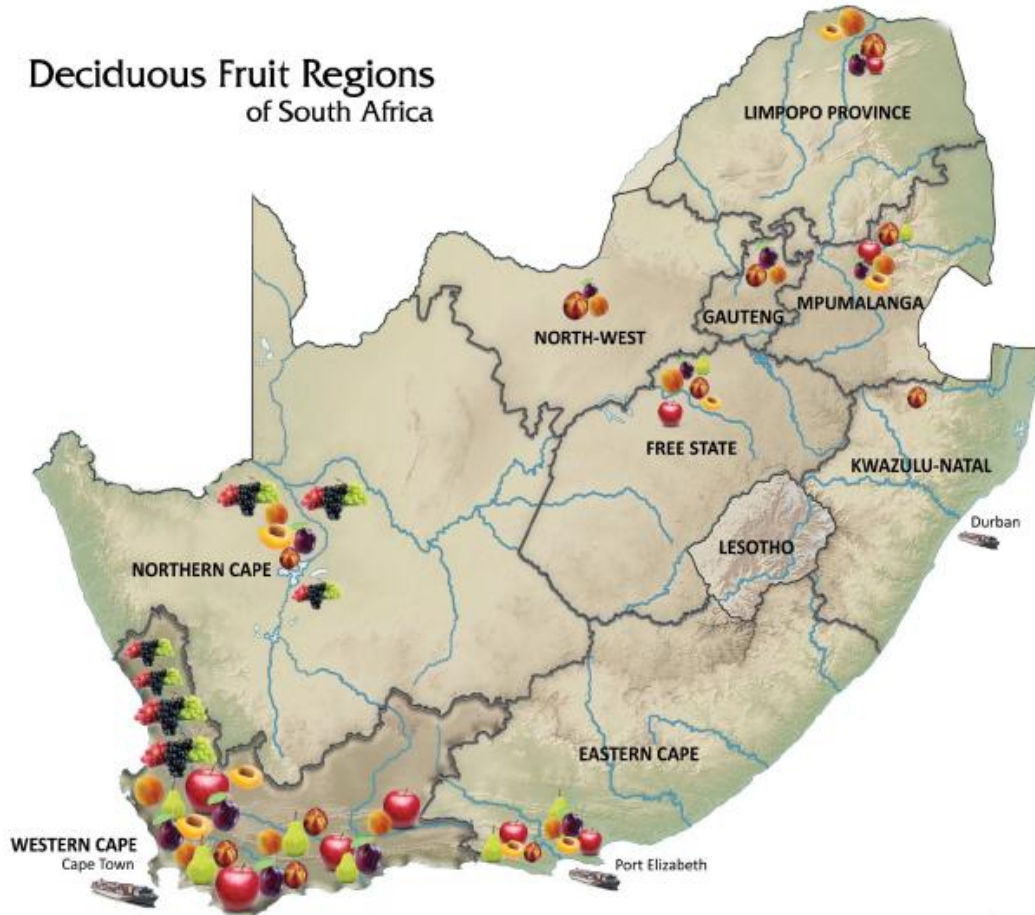
South African Table Grapes Industry (SATGI) - <http://www.satgi.co.za/>

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 main growing regions include the Northern Cape (17 percent), Eastern Cape (8 percent), and very low production of less than 3 percent in the North-West, Free State, Mpumalanga, and Limpopo Province. **Figure 1** shows the deciduous fruit production areas in South Africa.

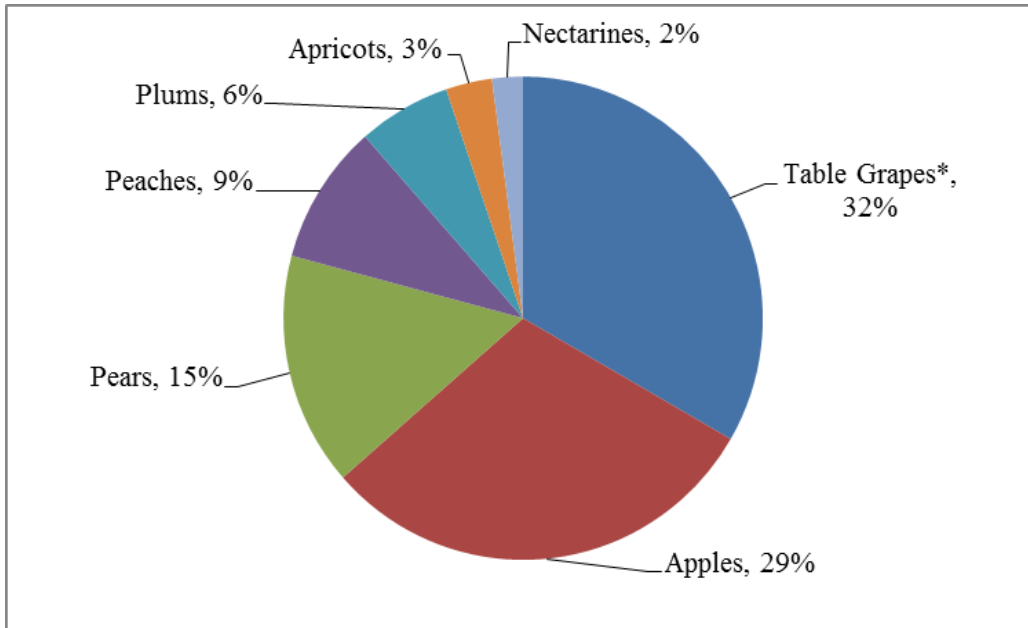
Figure 1: Map of the Deciduous Fruit Production Areas in South Africa



Source: HORTGRO

Deciduous fruit is the largest sub-sector of the South African fruit industry in terms of area planted. Due to the impact of the drought, in the 2015/16 MY, about 79,748 hectares (ha) were planted to deciduous fruits, down from 80,738 ha in the 2014/15 MY. Table grapes (fresh and dried) accounted for about 34 percent of the total area planted to deciduous fruits, followed by apples (29 percent), pears (15 percent), peaches (9 percent), plums (6 percent), apricots (4 percent) and nectarines (3 percent). **Figure 2** shows the distribution of the deciduous fruit industry based on area planted.

Figure 2: Distribution of the Deciduous Fruit Industry by Area Planted



*Fresh and Dried.

Source: HORTGRO

The South African Table Grapes 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 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

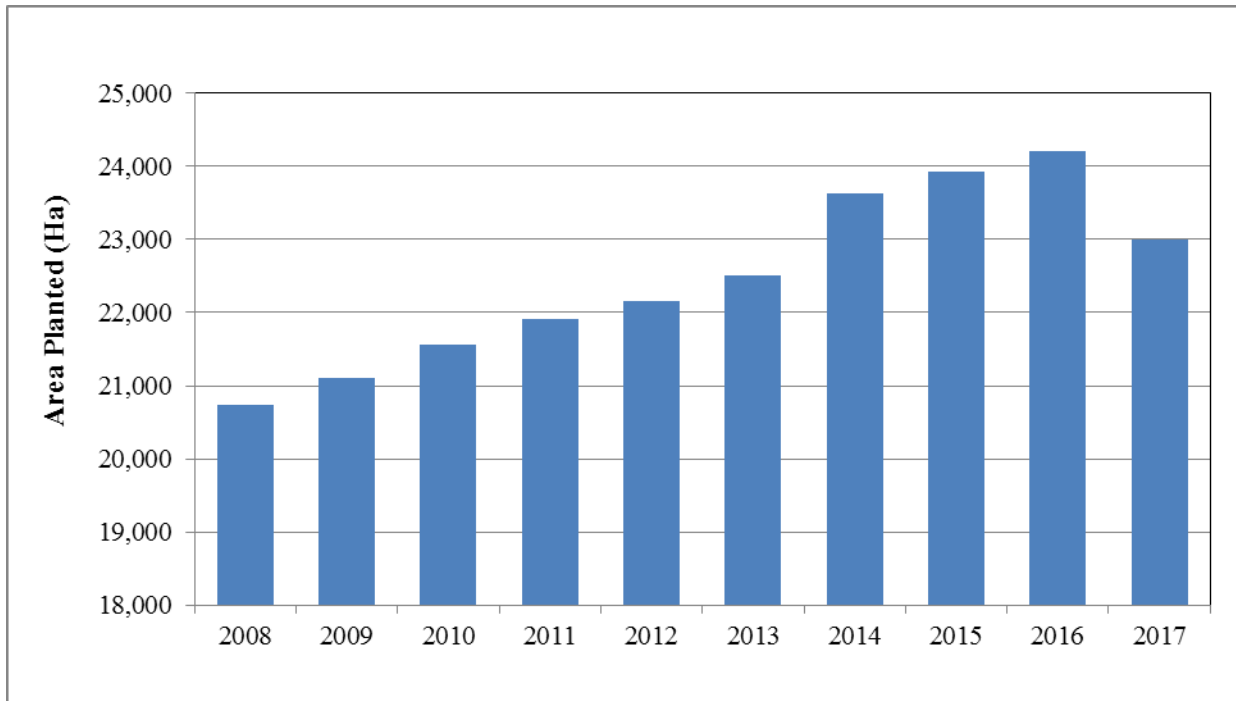
The 2017/18 MY apple production is estimated to decrease by 11 percent to 800,000 MT, from 902,130 MT in the 2016/17 MY, due to the decrease in area harvested, limited irrigation water, lower yields, smaller fruit sizes, and fruit damage from hail, windstorms and severe sunburn. About 80 percent of the apple production in South Africa is from the Western Cape, which is a winter rainfall region and is currently undergoing a severe drought. The below-average rainfall received in 2017 and the low dam levels (about 20 percent) will severely impact the availability of irrigation water in the 2017/18 MY by up to 60 percent. Some of the short term solutions that farmers have adopted to combat the drought include: prioritizing the irrigation of higher yielding varieties and orchards, while the remaining orchards would be irrigated just to keep the trees alive; removal of fruits from trees; and the use of nets which is believed to save water by up to 25 percent. There are also indications that some farmers cut down some trees to reduce costs and also removed older orchards. These measures and the financial pressure faced by the growers are expected to prolong the recovery of apple production once normal rainfall and weather patterns return. The quality of apples was also severely impacted by the drought conditions, as the fruit is dry, has a shorter shelf life and in some regions the ideal color was not achieved. The impact of the drought to the 2017/18 MY production could have been more severe; however, it was partially offset by new orchards that came into full production.

The Western Cape is the heartland of deciduous fruit production, with a 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. Since 2008, the Golden Delicious cultivar has been the most planted cultivar at about 24 percent of the 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).

Area Planted

The area planted to apples has steadily increased over the past decade as shown in **Figure 3**. This has been driven by increased earnings from the export market and higher returns from apple farming which attracted investment into the sector. However, Post estimates that the area planted to apples in the 2017/18 MY will decrease by 5 percent to 23,000 hectares, from 24,212 hectares in 2016/17 MY, due to the impact of the drought and the removal of old orchards by some farmers.

Figure 3: Area Planted to Apples in South Africa



Source: HORTGRO

Consumption

Domestic consumption of apples is estimated to decrease by 7 percent to 190,000 MT in the 2017/18 MY, from 205,000 MT in the 2016/17 MY. This is due to the decrease in production and depressed consumer demand because of the challenging economic environment characterized by low economic growth and high inflation. The decrease in consumption is expected to be mitigated because there will be an increase in supply of apples for the domestic market that will not meet the export quality standards.

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

Exports of apples are estimated to decrease by 12 percent to 485,000 MT in the 2017/18 MY, from 553,112 MT in the 2016/17 MY, based on the available production and some fruit not meeting the export quality standards e.g. color, size and shorter shelf life due to the drought conditions. Post revised upwards the 2016/17 MY exports to 553,112 MT, based on final Global Trade Atlas (GTA) data. The United Kingdom is the traditional and largest single country destination for South African apple exports accounting for 21 percent of the total exports. 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. Notably, South Africa has a free trade agreement with the EU. The impact of Brexit to South African apple exports is still uncertain, but industry contacts expect no disruptions to this market. Exports to the United States are minimal 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
France	T	4,413	4,698	6,189
Cote d Ivoire	T	4,730	5,364	6,158
Oman	T	3,816	3,959	5,019

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). An expansion request to include apples from areas regulated for apple maggot is still being negotiated by the United States and South Africa government. United States apples are desired for their big size 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
Lesotho	T	4	0	0
Sri Lanka	T	0	19	0
Bahrain	T	0	20	0

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	2015/2016	2016/2017	2017/2018
Market Begin Year	Jan 2016	Jan 2017	Jan 2018

South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	23932	23932	24212	24212	24200	23000
Area Harvested	21919	21919	21900	21900	21000	19000
Bearing Trees	26679	26679	27200	27200	27300	25000
Non-Bearing Trees	3330	3330	3100	3100	3000	3000
Total Trees	30009	30009	30300	30300	30300	28000
Commercial Production	924160	924160	902129	902130	850000	800000
Non-Comm. Production	0	0	0	0	0	0
Production	924160	924160	902129	902130	850000	800000
Imports	500	500	300	115	150	130
Total Supply	924660	924660	902429	902245	850150	800130
Fresh Dom. Consumption	222013	222013	210671	205000	205020	190000
Exports	510900	510900	525000	553112	500000	485000
For Processing	191747	191747	166758	144133	145130	125130
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	924660	924660	902429	902245	850150	800130
(HA) ,(1000 TREES) ,(MT)						

Pears, Fresh:

Production

Pear production in the 2017/18 MY is estimated to decrease by 7 percent to 400,000 MT, from 431,535 MT in 2016/17 MY, due to the decrease in area harvested, limited irrigation water, lower yields and smaller fruit sizes. Similar to apples, about 79 percent of the pear production is in the Western Cape, which is a winter rainfall region and is currently undergoing a severe drought. The below average rainfall received in 2017 and the low dam levels (about 20 percent) will severely impact the availability of irrigation water in the 2017/18 MY.

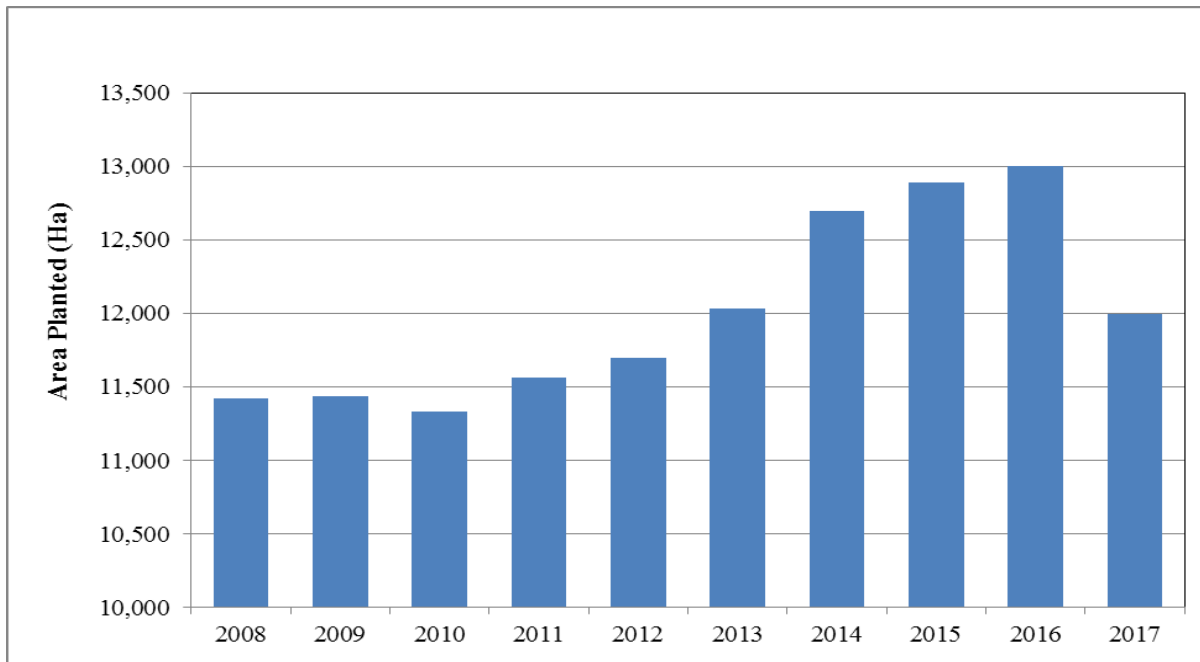
Pears grow well in areas that do not experience very high temperatures. Hence, the Western Cape is the heartland of pear production, accounting for at least 79 percent of the total production in South Africa. The major growing area for pears is Ceres which accounts for about 37 percent to the total area 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 which contributes about 34 percent to the total area planted is the most popular pear variety, followed by Forelle (26 percent), William Bon Chretien (20 percent) and Abate Fetel (6 percent).

Area Planted

Figure 4 shows that the area planted for pears has increased steadily since 2010. This was driven by increased earnings from the export market and higher returns, which attracted investment into the fruit sector. However, the area planted with pears is expected to decrease by 8 percent to 12,000 hectares in the 2017/18 MY, from 13,000 hectares in the 2016/17 MY, based on the impact of the drought. Consequently, some farmers removed older orchards, and prioritized irrigation of higher yielding varieties and orchards.

Figure 4: South Africa Pears Area Planted



Source: HORTGRO

Consumption

Domestic consumption of pears in the 2017/18 MY is expected to decrease by 9 percent to 43,000 MT, from 47,000 MT in the 2016/17 MY. This is based on the decrease in production and depressed consumer demand because of the challenging economic environment characterized by low economic growth and high inflation. Pears and apples are close substitutes in the domestic market. However, 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 2017/18 MY pear exports is estimated to decrease by 10 percent to 240,000 MT, from 265,595 MT in the 2016/17 MY, based on the lower production and some fruit not meeting the export quality standards. The 2016/17 MY estimate of exports was revised upwards to 265,595 MT, based on final GTA figures. The EU is South Africa's traditional and 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 Market Begin Year South Africa	2015/2016		2016/2017		2017/2018	
	Jan 2016		Jan 2017		Jan 2018	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	12894	12894	13000	13000	13000	12000
Area Harvested	11863	11863	12000	12000	11600	11500
Bearing Trees	15068	15068	15300	15300	15400	14500
Non-Bearing Trees	1124	1124	1000	1000	800	700
Total Trees	16192	16192	16300	16300	16200	15200
Commercial Production	429582	429582	431535	431535	405000	400000
Non-Comm. Production	0	0	0	0	0	0
Production	429582	429582	431535	431535	405000	400000
Imports	400	89	100	123	100	130
Total Supply	429982	429671	431635	431658	405100	400130
Fresh Dom. Consumption	47520	47255	42863	47000	43000	43000
Exports	250300	250254	257000	265595	250000	240000
For Processing	132162	132162	131772	119063	112100	117130
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	429982	429671	431635	431658	405100	400130
(HA) ,(1000 TREES) ,(MT)						

Table Grapes, Fresh:

Production

Post estimates that the 2017/18 MY table grape production will decrease by 16 percent to 280,000 MT, from 334,000 MT in the 2016/17 MY, based on the decrease in area harvested, limited irrigation water, sever sunburn and small fruit sizes in the Western Cape growing regions. This decrease was partially offset by the higher yielding new generation varieties, as well as normal production and growing conditions in the Orange River region of the Northern Cape Province. The Western Cape growing areas hardest hit by the drought and also experienced heat damage are Olifants, Berg, and Hex River regions. The short to medium effect of the drought includes a shorter harvest season, smaller fruit sizes, and the permanent loss of some orchards that were neglected during the drought. However, according to the industry, the medium to long term impact of the drought is expected to be less pronounced because of the climatically diverse growing regions, increased hectares in production, the continued shift to higher yielding new varieties, and the resilience and adaptation of table grape farmers.

The major growing areas for table grapes are the Hex River and Berg River regions in the Western Cape Province, and the Orange River and Olifants River regions in the Northern Cape Province as shown in **Table 9**. 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

Regions	2015/16	2016/17	2016/17 Percentage to Total Area Planted
Hex River	6,154	6,453	33%
Orange River	5,367	5,688	29%
Berg River	4,237	4,459	23%
Northern Provinces*	1,577	1,737	8%
Olifants River	1,240	1,337	7%
Total Area Planted	18,575	19,674	100%

*The Northern Province includes all the growers in the Northern Cape Province that are not included under the Orange River region.

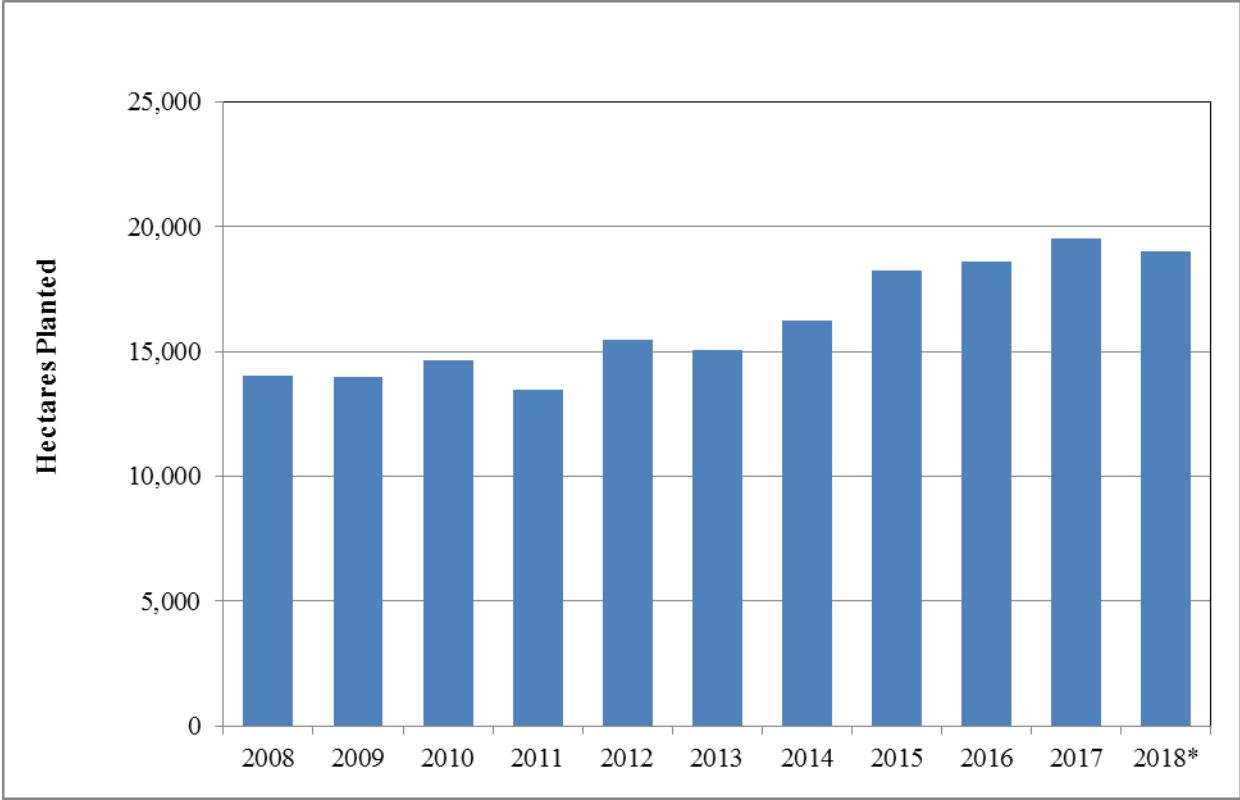
Source: South African Table Grapes Industry (SATGI)

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 in the past decade. Seeded cultivars are declining as consumers prefer seedless grapes, and the production of black and red 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 expected to decrease by 3 percent to 19,000 hectares in the 2017/18 MY, from 19,500 hectares in 2016/17 MY, based on the impact of the drought conditions. **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



*Estimate.
Source: SATGI

Consumption

Domestic consumption of table grapes is estimated to decrease by 5 percent to 35,100 MT in the 2017/18 MY, from 37,082 MT in the 2016/17 MY, due to the decrease in production. This will be partially offset by the supply of table grapes that will not meet export quality standards. 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 2017/18 MY table grape exports are expected to decrease by 17 percent to 252,000 MT, from 304,000 MT in the 2016/17 MY, based on the decrease in production, small fruit sizes and some fruit not meeting export standards due to size and color. 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 low at about 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 was changed 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	304,000
2017/2018*	252,000

*Estimate. Source: South African Table Grapes Industry

Imports

South Africa is a net exporter of table grapes, and imports are mainly to fulfill 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						
Partner Country	Unit	Quantity				
		2013/14	2014/15	2015/16	2016/17	2017/18*
World	T	5,355	5,030	5,891	7,082	627
Norway	T	0	12	15	0	220
Namibia	T	1,272	880	1,063	1,051	340
Other Countries NES	T	50	0	0	53	67
Spain	T	2,456	2,657	2,849	3,045	0
Egypt	T	1,462	1,220	1,759	2,645	0
Zambia	T	113	196	126	54	0
Russia	T	0	0	37	58	0
United Arab Emirates	T	0	20	0	35	0
Germany	T	0	19	0	35	0
Singapore	T	0	0	0	29	0
Turkey	T	0	0	20	20	0
Saudi Arabia	T	0	0	20	20	0
Hong Kong	T	0	0	0	19	0
Israel	T	0	22	0	18	0
United Kingdom	T	3	0	0	0	0
France	T	0	6	0	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 Market Begin Year South Africa	2015/2016		2016/2017		2017/2018	
	Oct 2015		Oct 2016		Oct 2017	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	18575	18575	19500	19500	19300	19000
Area Harvested	16229	16229	17200	17200	16500	16000
Commercial Production	284739	284739	334000	334000	287000	280000
Non-Comm. Production	0	0	0	0	0	0
Production	284739	284739	334000	334000	287000	280000
Imports	6300	6300	6000	7082	6000	7100
Total Supply	291039	291039	340000	341082	293000	287100
Fresh Dom. Consumption	36070	36070	36000	37082	35000	35100
Exports	254969	254969	304000	304000	258000	252000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	291039	291039	340000	341082	293000	287100
(HA) ,(MT)						

Policy:

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.

Table 14: List of Key Legislations and Regulations

Policy	Link
Agriculture Product Standards Act No 119 of 1990	http://www.nda.agric.za/doaDev/sideMenu/Food%20Import%20&%20Export%20Standard/docs/Agric%20Product%20Standards%20Act%20No%20119%20of%201990.pdf
Agricultural Pests, Act, 36 of 1983	Agricultural Pests Amendment Act, 9 of 1992 http://www.nda.agric.za/doaDev/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
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%20nn422%20APS%20table%20grapes.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

Season	APPLES			PEARS		
	Local Market	Export Market	Processed Market	Local Market	Export Market	Processed Market
	(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
2016/17	5,554	9,651	1,336	5,677	10,029	1,593

Source: HORTGRO

