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Fresh Deciduous Fruit Semi-annual

Fresh Apple and Table Grape Exports Expected to Increase

Approved By:
Corey Pickelsimer

Prepared By:
Linda Siphugu

Report Highlights:
South African 2012 apple production is expected to increase on good weather conditions and expanded markets in the Middle East and Asia. A larger crop is expected for table grapes as the industry recovers from heavy flooding in January 2011. Meanwhile, pear supplies are expected to decline on high stock availability in traditional export markets.

Post estimates 2012 apple exports at 340,000 MT, a seven percent increase compared to the previous year, on greater available supplies. 2012 pear exports are expected to decline to 172,000 MT, three percent down compared to the previous year, on lower European demand. However, table grape exports are estimated to increase to 230,000 MT on greater available supplies.

Executive Summary:

Deciduous fruit is the largest sub-sector of South African Agriculture, when measured in hectares planted. There are about 76,425 hectares of deciduous fruit trees in South Africa, as reported in 2011 Hortgro Tree Census. Of the deciduous fruit grown, about 32 percent are grapes (fresh and dried), 29 percent are apples, 15 percent for pears, with the remainder going to stone fruits and other deciduous fruits.

The Western Cape is traditionally the largest producer of deciduous fruit. However, in the past two decades, the Northern Cape and Limpopo provinces have become increasingly important producers of early deciduous fruit, such as peaches. Currently, South Africa ranks as the fourth largest apple producer and second largest pear producer in the Southern Hemisphere.

Figure 1.South Africa Deciduous Producing Regions

Source: Hortgro

Export season:

The 2012 export season looks promising for South African (SA) apples and table grapes with both showing increased export quantities. However, pear exports are forecast down in 2012, based on high stocks in the Northern Hemisphere.

The 2011 export season was characterized by challenges and new found opportunities. Apple exports to UK, which is SA's largest export destination, declined by 29 percent on increased market barriers driven by food retail sector requirements, weakening British Pound, and slow economic recovery.

Additionally, SA faced intense competition from other Southern Hemisphere countries for traditional export markets in Europe. Despite these challenges, SA exporters expanded into African markets. These African markets, such as Kenya and Angola, are now the second largest destination for SA apples in 2011. New free trade agreements like Southern African Development Community (SADC) Free Trade Area and proposed Tripartite FTA between SADC, East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA) have created new opportunities, particularly for SA apples, which have a longer shelf life and are a better fit for developing African nations. Pears and table grapes exports took a dip in 2011 on unfavorable heat wave that occurred during the harvest season.

Currencies:
1EUR = R9.91 – 16 May 2011
1 GBP = R11.02 – 5 May 2011
US $ = R6.80 – 31 May, 2011

FOR PSD
2010 – Split Year: 2009/2010
2011 – Split Year: MY2010/2011
2012 – Split Year: MY2011/2012

South Africa: Harvest Period for Deciduous Fruit

Fruit type	**Harvest period**
Apples	End January through to June
Pears	Mid – December through mid March
Table Grapes	October through to May

Sources:

- Hortgro
- South Africa Table Grape Industry (SATI)
- National Agricultural Marketing Council (NAMC)
- http://www.tshwane.gov.za/SERVICES/TSHWANE%20MARKET/Pages/default.aspx
- http://www.agbiz.co.za/EconomicIntelligence/Marketreseach/tabid/343/Default.aspx
- http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Sectoral_Information/Agricultural_Products/Cofee/final%20agri-food%20products%2013-12-10.pdf
- http://logisticsweek.com/ocean/2011/06/european-customs-advanced-manifest-rule-latest-update/

Commodities:

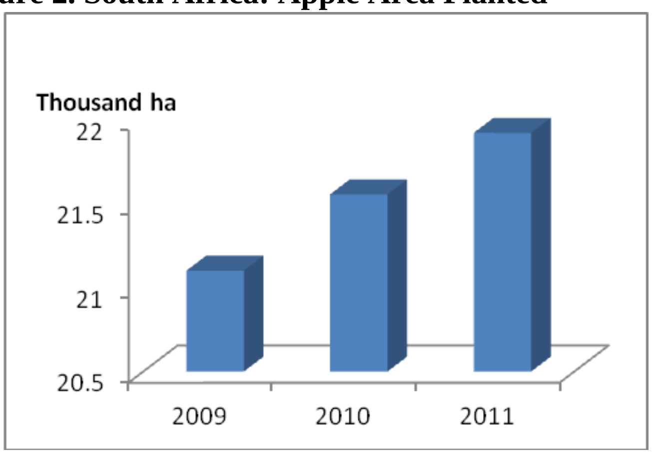
Apples, Fresh

Production:
Production
Although the 2012 official production data has not been published, Post estimates 2012 apple production at 790,000 MT on favorable growing conditions throughout the year. Recent exports, year-to-date, show an increase compared to 2011. Increased export volumes are a good indicator of increased supplies and product quality as the South African fruit industry is an export orientated sector.

Post revised the South African 2011 total apple production up to 766,677 MT as reported by industry statistics and is based on good weather conditions and better than expected yields. This revision represents a two percent increase compared to the 2010 quantity of 753,168 MT.

Apples are grown in several provinces around South Africa, but the Western Cape is the heartland of deciduous fruit. The Western Cape receives winter rainfall and has a climate similar to the Mediterranean, which is particularly favorable to apple production. The harvest time for South African apples starts at the end of January, and can run through June, with peak times occurring between February and April.

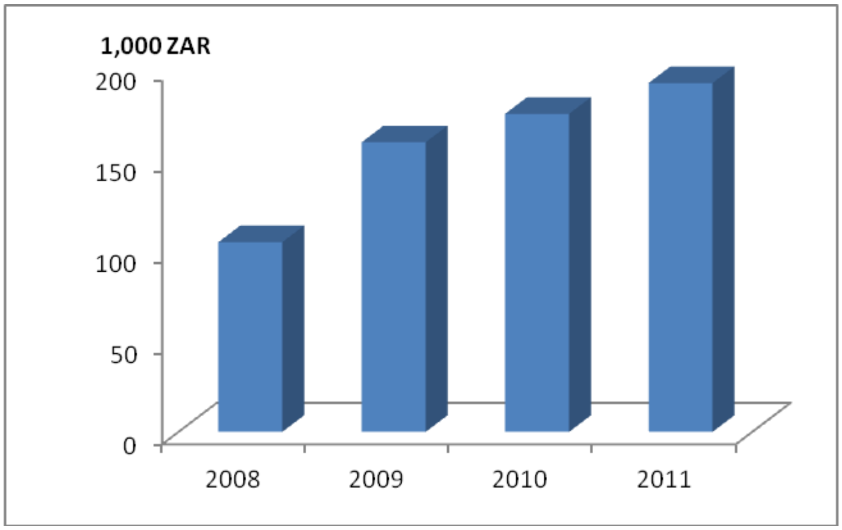
Figure 2. South Africa: Apple Area Planted



Source: Hortgro tree census, 2011

The 2011 industry tree census indicates that 21,920 hectares (ha) were planted to apples in South Africa, a two percent increase over 2010. Golden Delicious has overtaken Granny Smith as the most planted variety at 5,359 ha. Golden Delicious apples have a long shelf-life and store remarkably well. This variety is also the most favored in African markets which became South Africa's second largest apple export destination in 2011. Other popular varieties include Granny Smith (4,687 ha), Royal Gala (3,284 ha), Topred (3,047 ha), Pink Lady (2,043 ha), and Fuji (1,547 ha).

Figure 4. South Africa Apples – Cost of Production



Source:Hortgro

Although production costs are a constant concern, producers have continued to expand area planted to meet growing demand for their export markets. The cost of establishing a hectare of apples has increased since a slight decrease in 2008. Currently the cost of establishing a hectare stands at R192,060 per hectare. The major cost drivers have been planting material for rootstock and seedlings and fertilizer. Volatility in exchange rates affects fertilizer prices given this input is heavily imported.

Cost of electricity has also put pressure on production costs. Since 2008, electricity costs have escalated as the national power grid (Power stations) in South Africa has aged. Eskom, South Africa's electricity public utility, has increased the taxation on electricity by 27 percent in 2008, from eight percent the previous year; then 30 percent in 2009. However, as of March 9, 2012, the National Energy Regulator of South Africa (NERSA) revised the power tariff downward to 16 percent.

Consumption:

Post estimates 2012 domestic consumption at 235,200 MT on expected available supplies. South Africa's domestic fresh fruit market continues to grow. South Africa typically consumes 30 percent of total supply. Market growth can be seen at the wholesale and retail level, driven by a rapidly growing middle class. According to the South African Advertising Research Foundation (SAARF) and AC Nielsen, approximately 49 percent of the country's population is middle class. The improvement in consumer income has sparked a shift towards fresh fruit and vegetables.

Post revised the 2011 domestic consumption of fresh apples at 231,285 MT based on industry reports of greater available supplies. This revision represents a five percent increase compared to the 2010 quantity of 221,131 MT.

Apples are popular in South Africa and widely consumed throughout the year and they form part of the national food basket of goods which are monitored quarterly by the South African National Agricultural Marketing Council (NAMC) to track food price inflation. The Johannesburg Fresh Produce Market, a fresh produce market with an annual turnover of R2 billion, reports apples as among the top five highly consumed fruits in South Africa.

Trade:

Exports

Post estimates 2012 South African apple exports at 340,000 MT based on industry reports. This represents a seven percent increase compared to 2011 exports (318,993 MT), based on increased available supplies and anticipated growth to African markets. Although the EU is SA's traditional market with the UK being the biggest single market, exports to African countries have steadily grown over the past five years and currently represent 24 percent of total apple exports.

Post revised 2011 apple exports up to 318,993 MT based on industry statistics. These figures differ from GTA numbers slightly, but both numbers indicate an increase in 2011 apple exports. Post recognizes this difference and has decided to use the industry figure in the PSD as they reflect official data.

Although the global recession has negatively affected SA's exports to UK since 2008, West African markets have grown to reach 24 percent of total exports in 2011. Golden delicious accounts for 71 percent of the total volume shipped to African markets, followed by Topred (11 percent) and Granny Smith (six percent). Drivers of this growth are SA's proximity to African markets, free trade agreements (SACU Free Trade Area- no import tariffs and duties), investments by South African supermarkets in African countries, and consumer's preferences. Although infrastructure (including cold storage) in African countries is still developing, apples have a long shelf life and fare well under prevailing infrastructure conditions.

Table 1. Export Trade Matrix, Fresh Apples: MY 2009 - 2011

South African Export Statistics Commodity: 080810, Apples, Fresh				
Year Ending: December				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
UK	MT	111,251	88,253	85,327
Malaysia	MT	39,309	36,842	38,154
Benin	MT	18,334	20,555	25,891
Netherlands	MT	19,618	16,282	17,130
Angola	MT	4,278	9,462	16,769
Zimbabwe	MT	6,331	10,658	15,039
Russia	MT	6,701	3,089	7,757
Ghana	MT	4,190	4,728	8,028
US	MT	77	160	59
Total	MT	210,089	190,029	214,154
Other not listed	MT	128,881	116,295	121,085
Grand total	**MT**	**338,970**	**306,324**	**335,239**

Source: GTA

Imports

Post estimates 2012 South African apple imports at 200 MT on its ability to satisfy domestic consumption. Although South Africa is not an apple net importer, imports have steadily occurred over the years for apples with different varieties and characteristics, such as larger fruit size.

Post revised 2011 apple imports down to 147 MT as reported in GTA as the industry does not provide import statistics. The United States overtook Malaysia as the largest supplier of apples to South Africa. U.S. fresh apple exports to South Africa have been increasing since gaining market access in 2009, from 183 MT to 374 MT in 2010.

Table 2. South African Import Statistics

South Africa Import Statistics Commodity: 080810, Apples, Fresh				
Year To Date: January – December				
		Quantity		
Partner Country	Unit	2009	2010	2011
United States	MT	183	374	145
Malaysia	MT	52	0	0
Others not listed	MT	0	0	2
Grand total	MT	235	374	147

Source: GTA

Policy:

Pest and Plant Disease Restrictions

Apples from the Pacific Northwest may be exported to South Africa under the terms of the "Protocol of Phytosanitary Requirements for the Export of Apple Fruit from the United States of America, Pacific Northwest States of Washington, Idaho and Oregon (PNW) to South Africa". This protocol may be obtained from the Northwest Fruit Exporters (509/576-8004).

Table 3. Tariff Rates, Fresh Apples

Apples

Item	CD	Description	Unit	General	EU	EFTA	SADC
0808.10	9	Apples	kg	4%	free	4%	free

Source: SCHEDULE 1 - Customs & Excise Tariff

Production, Supply and Demand Data Statistics:

Table 4. Production Supply and Demand: Apples, Fresh

Apples, Fresh South Africa	2009/2010	2010/2011	2011/2012

	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	21,750	21,554	0	21,920		22,300	(HA)
Area Harvested	21,750	19,426	0	19,711		19,900	(HA)
Bearing Trees	19,830	19,426	0	19,711		19,900	(1000 TREES)
Non-Bearing Trees	2,175	2,126	0	2,209		2,400	(1000 TREES)
Total Trees	22,005	21,552	0	21,920		22,300	(1000 TREES)
Commercial Production	790,000	753,168	800,000	766,622		790,000	(MT)
Non-Comm. Production	0	0	0	0		0	(MT)
Production	790,000	753,168	800,000	766,622		790,000	(MT)
Imports	500	374	500	147		200	(MT)
Total Supply	790,500	753,542	800,500	766,769		790,200	(MT)
Fresh Dom. Consumption	249,000	221,131	250,000	231,285		235,200	(MT)
Exports	310,000	298,574	315,000	318,993		340,000	(MT)
For Processing	231,500	233,837	235,500	216,491		215,000	(MT)
Withdrawal From Market	0	0	0	0		0	(MT)
Total Distribution	790,500	753,542	800,500	766,769		790,200	(MT)
TS=TD		0		0		0	

Commodities:

Apple Juice, Concentrated

Production:

Post estimates 2012 apple juice to remain relatively flat at 215,000 MT on competition from fresh market. Post revises 2011 apple juice production at 216,491 MT on increasing demand for fresh juices, which is linked to the growing middle-class in South Africa. In 2010, a considerable amount of fresh apples was diverted to processing after a harvest-time heat wave damages fresh supplies.

Apples are the second leading flavor behind oranges for both 100 percent juices and for juice drinks. The top five fruit juice brands by value in South African market are Liqui-Fruit, Pick 'n Pay, Clover, Ceres, and Clover Life.

Trade:

Exports

South Africa is ranked 22nd in terms of apple juice concentrate exports and like many developed countries, fruit processing is seen as a way to salvage returns from fruit that cannot be sold on the fresh market, but is not considered a major potential source of income. This is evident when looking at price trends, comparing fresh market prices, export prices, and processed juice prices. Industry reports show, that in 2011, the price for a ton of processing apples for juice was R736 compared to R6,210 per ton for fresh apples in the export market, R4,326 per ton of fresh apples in the local market, and dried apples receiving R4,191 per ton.

Ceres Fruit Juices are South Africa's long-life fruit juice market leader, with a market share in excess of 50 percent. The company is strategically located in the Western Cape which is regarded as the home of apple production. Currently, Ceres Fruit Juices export to over 84 countries in Africa, Europe, the Far East, the Middle East, Asia and North America. The brand is aimed at the premium end of the market, offering added value with both basic flavors and exotic blends. Ceres products include 100 percent juice, fruit-flavored drinks (no juice content), juice drinks (up to 24 percent juice), and nectars (25-99 percent juice). Demand for 100 percent juice continues to increase in line with the growth of middle class consumers.

Table 5. Apple Juice Concentrate – Export statistics

South Africa Export Statistics				
Commodity: 200979, Apple Juice, Nes, Unfermented And Not Spirited Whether Or Not Sugared/Sweetened				
Year To Date: January – December 2009 - 2011				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
Japan	MT	4,675	4,085	3,430
Canada	MT	16	2,231	2,506
US	MT	219	2,529	2,273
Spain	MT	711	1,165	590
Netherlands	MT	358	1,060	497
Other not listed	MT	9,175	6,619	3,020
Grand total	MT	15,154	17,689	12,316

Source: GTA

Imports

While South Africa is a fruit juice producer and exporter, apple juice and grape juice are imported to make up for occasional shortfalls in supplies. These two juices are used as the base for other flavors and mixed fruit drinks. China is South Africa's leading supplier of apple juice concentrate.

Table 6. Apple Juice Concentrate – Import statistics

South Africa Import Statistics				
Commodity: 200979, Apple Juice, Nes, Unfermented And Not Spirited Whether Or Not Sugared/Sweetened				
Year To Date: January – December 2009 - 2011				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
China	MT	31,585	32,373	24,066
Brazil	MT	13	1,237	711
Argentina	MT	218	828	699
US	MT	5	0	1
Other not listed	MT	596	275	261
Grand total	MT	32,417	34,713	25,738

Source: GTA

Policy:

Table 7. Tariff Rate, Apple juice

Other

Item	CD	Description	Unit	General	EU	EFTA	SADC
2009.79	9	Other	kg	free	free	free	free

Source: SCHEDULE 1 - Customs & Excise Tariff

Commodities:

Pears, Fresh

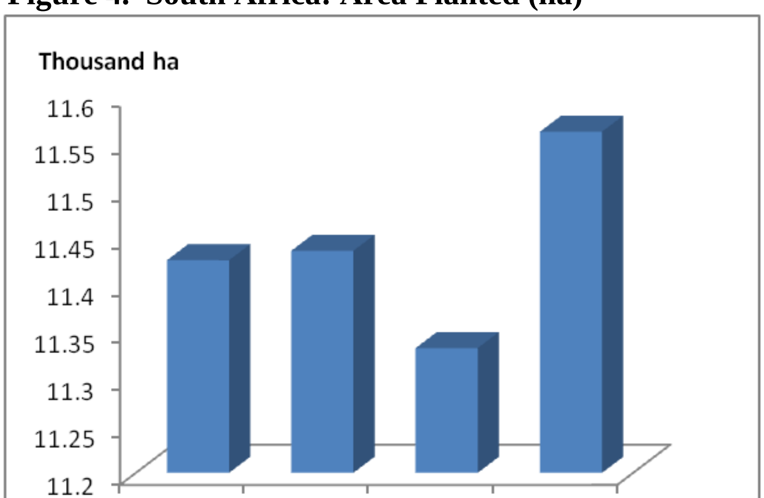
Production:

Although the 2012 official production data has not been published, Post estimates 2012 pear production at 366,000 MT on favorable growing conditions. Regardless of this forecasted increase in production, recent industry estimates show a decrease in exports, compared to 2011, on unfavorable market conditions in Europe. According to the industry, there are still pear stocks available in the Europe.

Post revised the South African 2011 pear production to 359,747 MT as reported by industry. This revision represents a four percent decline compared to the 2010 quantity of 373,722 MT on bad weather conditions that occurred in the Western Cape. Excessive rains occurred around harvest (January), as opposed to winter rainfall and reduced yields and fruit quality.

Pears are mainly grown in the Western Cape. Like apples, pears grow well in areas that do not have a temperate climate. Pears are normally harvested from late December to early January.

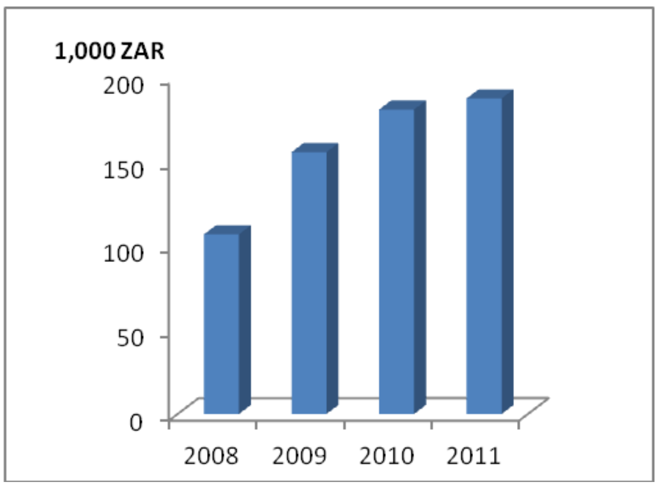
Figure 4. South Africa: Area Planted (ha)



Source: Hortgro

The 2011 industry tree census indicates that 11,561 ha were planted to pears in South Africa, and represented a two percent increase compared to 2010. A new pear variety, Cheeky has also been released to the South African industry. This blushed-pear is an early ripening variety that can be marketed before the highly profitable and popular Forelles come into the market, hence the increase in area planted. The Packham's Triumph is still the most popular pear variety at 3,325 Ha. Other popular varieties are Forelle (3,013 ha), and William Bon Chretien (2,884 Ha). The Packham's Triumph is the most preferred variety given its exceptionally good storage ability and excellent shelf-life.

Figure 5. South African Pears - Cost of Production Per Hectare



Source: Hortgro

Although production costs are a constant concern, producers have continued to expand area planted to meet growing demand in exports markets. Canned fruit also remains a popular choice among South African consumers who prefer to substitute fresh with canned fruit during economically difficult times.

The cost of establishing one hectare of pears has increased since 2008. The cost of planting material almost doubled after 2008 and remained the largest cost driver in 2011. As a result of economic pressure, there are several hectares of William Bon Chretien and Packham's Triumph trees that are over 25 years of age and need replacement.

Consumption:

Post estimates 2012 pear domestic consumption at 68,200 MT on available supplies. Post revised 2011 domestic consumption at 67,379 MT based on industry reports. Fruit that could not be exported was diverted to local market. Although pears are generally more expensive than apples, middle-class growth has resulted in increased domestic pear consumption.

Traditionally domestic demand for fresh pears was approximately 13 percent total production. However, this is slowly changing as the middle-class grows. Regardless of price, pears have a steady market with the middle-class consumers. Pear consumption increased despite price increases in the past two years. The average monthly pear price between January and July 2011 at local markets was R4,001 per ton compared to R3,454 in 2010.

Trade:

Exports

Post estimates 2012 South African pear exports at 172,000 MT, a three percent decline as more fruit was diverted to processing, given prevailing stocks in European markets. According to industry reports, the 2011 European pear crop was forecast to be 12 percent higher than 2010 quantities. This higher production coupled with sluggish demand guaranteed higher stock levels for the 2012 season in the Northern Hemisphere.

Post revised 2011 SA pear exports down to 176,646 MT based on industry reports. This represents a four percent decline on lower available supplies. The 2011 pear harvest was affected by strong rains during the harvest season, which led to lower volumes being exported during the marketing year.

The GTA numbers (182,076 MT) are slightly different from the industry numbers (176,646 MT), but both numbers indicate a decline in 2011 pear exports. Post recognizes this difference and has decided to use the industry figures in the PSD with the expectations that the industry figures reflect the most accurate situation. However, the GTA table show individual markets for SA exports.

South Africa is ranked fifth in terms of global pear exporters and the EU is South Africa's biggest traditional market with the Netherlands and the UK having the largest market share.

Table 8. Export Trade Matrix, Fresh Pears: MY 2009-2011

South African Export Statistics Commodity: 080820, Pears, Fresh				
Year Ending: December				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
Netherlands	MT	49,784	57,173	60,109
United Kingdom	MT	29,728	24,494	20,102
Russia	MT	15,173	16,946	13,271
United Arab Emirates	MT	5,370	8,682	10,035
Germany	MT	15,005	11,309	9,945

US	MT	700	797	964
Other not listed	MT	64,853	67,212	67,650
Grand total	MT	180,613	186,353	182,076

Source: GTA

Imports

As the second largest pear producer behind Argentina in Southern Hemisphere, South Africa imports small quantities of pears, with China as the leading source Ya pears (white coloured Chinese pears). It was after a 2007 agreement with China that some imports of Chinese pears began entering the South Africa market, see protocol:
http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/protocol_pear_China.pdf

Table 9. South Africa Import Statistics

South Africa Import Statistics Commodity: 080820, Pears And Quinces, Fresh Year Ending : December				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
China	MT	185	185	200
Other not listed	MT	0	5	1
Grand Total	MT	185	190	201

Source: GTA

Policy:

Table 10. Tariff Rate, Fresh Pears

Pears and quinces

Item	**CD**	**Description**	**Unit**	**General**	**EU**	**EFTA**	**SADC**
0808.20	3	Pears and quinces	kg	4%	free	4%	free

Source: SCHEDULE 1 - Customs & Excise Tariff

Production, Supply and Demand Data Statistics:

Table 11. Production, Supply and Demand: Pears, Fresh

Pears, Fresh South Africa	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		**Market Year Begin: Jan 2012**		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	11,342	11,332	0	11,561		11,790	(HA)
Area Harvested	10,600	10,584	0	10,761		10,900	(HA)
Bearing Trees	10,600	10,584	0	10,761		10,900	(1000 TREES)

Non-Bearing Trees	800	747	0	800		850	(1000 TREES)
Total Trees	11,400	11,331	0	11,561		11,750	(1000 TREES)
Commercial Production	350,000	366,216	360,000	359,747		366,000	(MT)
Non-Comm. Production	0	0	0	0		0	(MT)
Production	350,000	366,216	360,000	359,747		366,000	(MT)
Imports	50	190	100	201		200	(MT)
Total Supply	350,050	366,406	360,100	359,948		366,200	(MT)
Fresh Dom. Consumption	48,050	51,832	50,100	67,379		68,200	(MT)
Exports	182,000	183,111	180,000	176,646		172,000	(MT)
For Processing	120,000	131,463	130,000	115,923		126,000	(MT)
Withdrawal From Market	0	0	0	0		0	(MT)
Total Distribution	350,050	366,406	360,100	359,948		366,200	(MT)
TS=TD		0		0		0	

Commodities:

Grapes, Table, Fresh

Production:

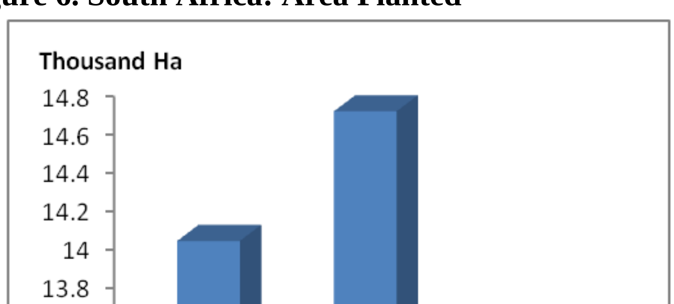
Although 2012 official production data has not been published, Post estimates the 2012 table crop at 265,000 MT as the Orange River, Northern Province, and Olifants river production regions recover from flooding in January 2011, that resulted in both tree and fruit losses.

Post estimates the 2011 table grape crop at 258,000 MT, a seven percent decline compared to the 2010 crop (277,294 MT). The decline in production was a result of flooding along major production regions. Although the Table Grapes season started well in 2010, it was interrupted by floods in the Northern regions and extremely hot weather conditions in the Western Cape, which resulted in the industry estimates drop. These unfavorable conditions resulted in a 17 percent decline in the Orange River region; 19 percent decline in the Northern Province region and six percent decline in the Olifants River region.

Table Grapes are grown in Western Cape, Northern Cape and Northern Province. The Orange River valley in Northern Cape is the largest production area at 4,501 ha. Leading the Western Cape, Hex river valley region produces at 3,956 ha, Berg river valley at 3,288 ha, and Olifants River at 720 ha. The Northern Province accounts for 980 ha of table grapes. South Africa is ranked as the second largest producer of table grapes and is the fourth largest exporter in the Southern Hemisphere.

South Africa has the longest supply season starting from late October until May. Harvest starts in week 43 in the Northern Cape region, followed the Orange River region, and the first grape crop is supplied to markets by November. The Hex river valley region is the last region for table grapes intakes.

Figure 6. South Africa: Area Planted



Source: SATI

The 2011 industry tree census, indicate that there were about 13,462 ha planted to table grapes in South Africa, an eight percent decline compared to 2010. There are currently about 382 table grapes producers in South Africa, compared to 416 in 2010 as reported by the industry. The decline is a result of rising production costs, leading producers to shif into other crops, and shifting within different cultivars (seeded and seedless).

Although the area planted declined by eight percent in 2011 on increasing production costs, the Orange River valley has shown an increase in new areas under production outside of flood recovery. This area is an early intake region, with harvest starting in week 44 and it also produces the bulk of seedless table grapes.

The leading varieties of South African table grapes are Crimson Seedless (1,881Ha), Thompson Seedless (1,423 ha), which overtook Red Globe, a seeded variety and Prime seedless at 1,332 ha and Flame Seedless at 1,243 ha. The cultivar profile in the South Africa has changed in recent years, as seeded cultivars are declining yearly in favor for seedless grapes, with production of black and red seedless varieties increasing. The popularity of seedless cultivars stems from the larger berry size (with elongated or oval berry shapes), favorable texture (crunchiness), and convenient eating qualities.

Table 12. Popular Table Grape varieties

Season	**White**	**Black**	**White seedless**	**Red**
Early	Victoria,	Dan – ben – Hannah	Muscat Seedless	Flame seedless
	Queen of the vineyard	Alphonse Lavallee	Sugraone	
	Muscat Supreme	Ronelle	Sultanina	
	Bien Donne	Prime		
	Regal seedless			
Mid	Bellevue	La Rochelle		Sunred Seedless
	Waltham Cross	Bonheur		Red Globe
	Majestic	Bonita		

Late	Dauphine	Barlinka		Crimson Seedless

Source: SATI

Consumption:

Post estimates 2012 domestic consumption of fresh table grapes at 37,000 MT on slow economic growth in South Africa. Grapes are often viewed as luxury fruit, and when there are budgetary constraints consumers tend to switch to other fruits.

Post revised 2011 domestic consumption of fresh table grapes at 38,649 MT on low supplies due to unfavorable conditions that negatively impacted on production volumes. The local market for table grapes is small, at less than 50,000 MT annually, with 65 percent of grapes sold through the National Fresh Produce Markets, 34 percent sold through retailers, and one percent sold through informal markets.

Trade:

Exports

Post estimates 2012 South Africa table grapes at 230,000 MT as production quantities are recovering from the devastating 2011 floods that affected several table grape production areas.

Post revised 2011 South Africa table grapes exports at 222,300 MT based on industry reports of lower available supplies. This figure is slightly different from the GTA figures (248,494 MT), but both show a decline in exports. Post recognizes this difference, but uses the industry figures in the PSD as it is perceived to be more accurate. Unfavorable weather conditions that occurred in some of the production regions led to low yields as compared to the 2010 table grapes volumes.

Although Europe is the leading export market for South African grapes, Southeast Asian markets have shown some growth from nine percent in 2010 to 13 percent in 2011. Europe has been stable, with a 57 percent export share.

The strong exchange rate and the implementation of the EU customs advanced manifest rule in January 2011 put downward pressure on exports to the UK and Northern EU. There has also been a visible shift by exporters away from traditional markets to the Asia and Middle Eastern markets which appear to show strong growth potential. The attractiveness of these markets is due to their less stringent non-tariff measures as compared to the EU markets.

Table 13. Export Trade Matrix, Fresh Grapes: 2009 - 2011

Commodity: 080610, Grapes, Fresh				
Year ending December: 2009 - 2011				
Quantity				
Partner Country	**Unit**	**Marketing Year**		
		2009	**2010**	**2011**
Netherlands	MT	110,553	116,470	115,098
United Kingdom	MT	58,987	50,473	48,111

Hong Kong	MT	8,503	11,920	15,906
Germany	MT	14,800	11,016	10,436
Russia	MT	6,195	8,683	7,570
Malaysia	MT	4,884	6,775	7,224
United Arab Emirates	MT	7,496	8,356	6,920
Singapore	MT	2,554	4,285	4,698
US	MT	76	92	37
Others not listed	MT	57,181	41,767	32,494
Grand Total	MT	271,229	259,837	248,494

Source: GTA

Imports

South Africa is not a big importer of table grapes except to make up for out of season demand, with Spain supplying most of South African markets.

Table 14. South African Import Statistics

South Africa Import Statistics Commodity: 080610, Grapes, Fresh				
Year Ending: December 2009 - 2011				
Partner country	**Unit**	**Quantity**		
		2009	**2010**	**2011**
Spain	MT	1,176	1,228	1,688
Egypt	MT	513	744	982
Israel	MT	262	236	279
Other not listed	MT	30	2	0
Grand total	MT	1,981	2,210	2,949

Source: GTA

Policy:

Table 15. Tariff Rates, Fresh Grapes

Fresh

Item	CD	Description	Unit	General	EU	EFTA	SADC
0806.10	1	Fresh	kg	4%	free	4%	free

Source: SCHEDULE 1 - Customs & Excise Tariff

Labeling Requirements

Fresh, unprocessed fruit is exempt from consumer labeling requirements.
http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Apples_regulations.pdf

Licenses and quotas: None

Currency Issues: None

Export standards & requirements of Deciduous Fruit: http://www.daff.gov.za/

The route is as follows: Divisions → Food Safety and Quality Assurance → Exports Standards → Deciduous Fruit.

Production, Supply and Demand Data Statistics:

Table 16. Production Supply and Demand - Grapes, Fresh

Grapes, Fresh South Africa	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	14,660	14,660	15,000	13,462	0	14,000	(HA)
Area Harvested	14,660	13,341	15,000	12,283	0	12,700	(HA)
Commercial Production	277,294	277,294	258,000	258,000	260,000	265,000	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
Production	277,294	277,294	258,000	258,000	260,000	265,000	(MT)
Imports	2,209	2,210	2,263	2,949	2,300	2,000	(MT)
Total Supply	279,503	279,504	260,263	260,949	262,300	267,000	(MT)
Fresh Dom. Consumption	19,667	40,554	18,163	38,649	12,300	37,000	(MT)
Exports	259,836	238,950	242,100	222,300	250,000	230,000	(MT)
For Processing	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
Total Distribution	279,503	279,504	260,263	260,949	262,300	267,000	(MT)
TS=TD		0		0		0	