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Fresh Deciduous Fruit Semi-annual

Update on the South African Deciduous Fruit Supply and Demand

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Report Highlights:
Post estimates that the 2014/15 MY production of apples will increase by fourteen percent to 900,000 MT and the table grapes production will increase by seven percent to 340,000 MT in the 2014/15 MY based on good growing conditions. The increase in table grape production is expected to result in record exports of 318,000 MT in the 2014/15 MY.

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

Executive Summary

This report provides an update of the Fresh Deciduous Fruit Annual Report published in November 2014 (Download GAIN Report).

Post revised the South Africa's apple production forecast to 900,000 MT in the 2014/15 MY, a fourteen percent increase from the 2013/14 MY production of 792,549 MT based on normal weather and growing conditions. The low 2013/14 MY apple production of 792,549 MT is based on final industry data, and mainly as a result of unanticipated hail damage. The 2014/15 MY apple exports are also forecasted to increase by ten percent to 420,000 MT based on the available production and the prevailing weak exchange rate.

The 2014/15 MY forecast of South African pears production remains unchanged at 390,000 MT and is six percent lower than the 2013/14 MY pear production of 413,614 MT based on normal growing conditions in the 2014/15 MY which were not better than the previous two seasons excellent growing conditions. Limited hail damage was experienced in pear growing regions in the 2013/14 MY. The 2014/15 MY pear exports are estimated to decrease by four percent to 200,000 MT based on information that South African exports are expected to struggle in a saturated world market.

The 2014/15 MY is estimated to be an exceptional season for South Africa table grapes, with a record production of 340,100 MT, which is seven percent higher than the 2013/14 MY production of 318,143 MT based on excellent growing conditions and the increase in area harvested as new plantings came into full production mainly in two regions. Post revised upwards the 2014/15 MY table grapes exports to 318,000 MT based on the increase in production and the weak exchange rate.

South Africa is a net exporter of deciduous fruits, and only imports small quantities of apples, pears and grapes to fulfill a niche market or to satisfy domestic demand when supply is limited.

Exchange Rate
US $ 1 = R12.00

MY – Marketing Year (January to December)

Sources

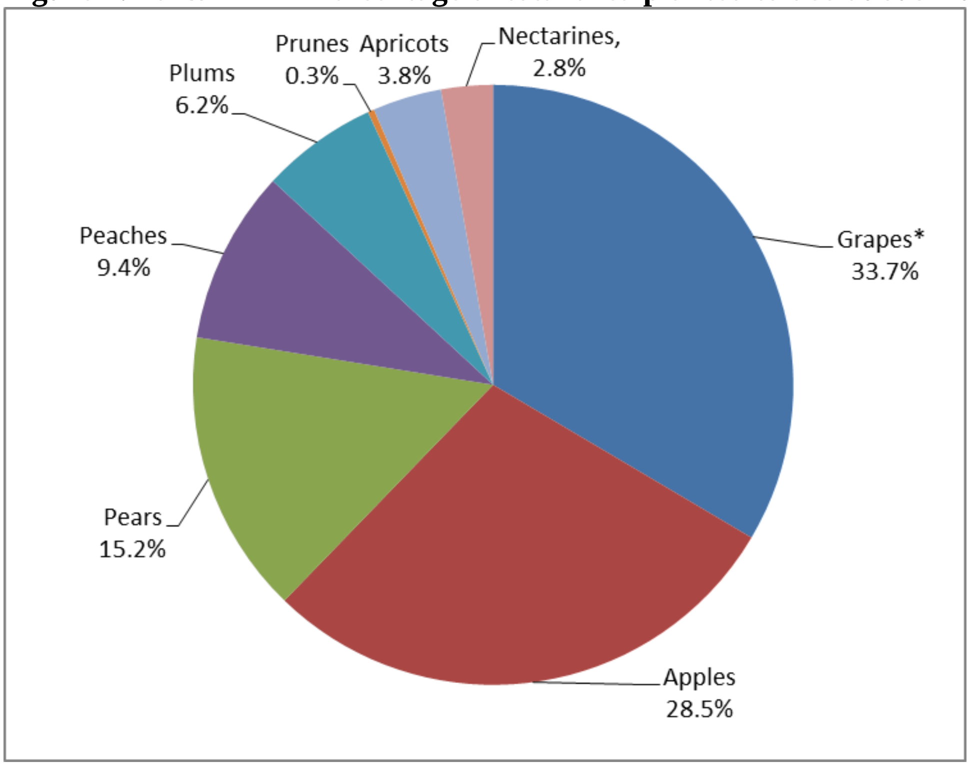
Name	**Website**
Hortgro	http://www.hortgro.co.za
South African Table Grapes Industry (SAGTI)	http://www.satgi.co.za/
Fresh Fruit Portal	http://www.freshfruitportal.com/

Brief background of the South African Deciduous fruit industry

Deciduous fruit is the largest sub-sector when measured in terms of hectares under fruit plantation in South Africa. Approximately 79,803 hectares (ha) was planted to deciduous fruits in South Africa in the 2013/14 MY. **Figure 1** shows that grapes (Fresh and dried), apples and pears have the largest area planted and accounted for approximately 78 percent of the total area planted with deciduous fruit in the 2013/14 MY.

The Western Cape is the largest and traditional producer of deciduous fruits in South Africa, however, in the past two decades; the Northern and Eastern Cape, and Limpopo provinces have become increasingly large producers of deciduous fruit. South Africa is ranked the fourth largest apple producer and second largest pear producer in the Southern Hemisphere.

Figure 1: 2013/14 MY Percentage of total area planted to deciduous fruits in South Africa



Source: HORTGRO

Commodities:
Apples, Fresh

Production

Post revised the South Africa's apple production forecast to 900,000 MT in the 2014/15 MY based on normal growing conditions; an increase in area planted and more trees reaching full bearing potential. The South African apple production estimate for the 2013/14 MY was revised downward to 792,549 MT based on final industry data, and mainly as a result of unanticipated hail damage. Post revised upwards the South Africa 2012/13 MY apple production to 908,240MT based on updated industry statistics. The 2012/13 MY apple production at 908,240MT was the highest recorded production in South Africa since the 2002/03 MY.

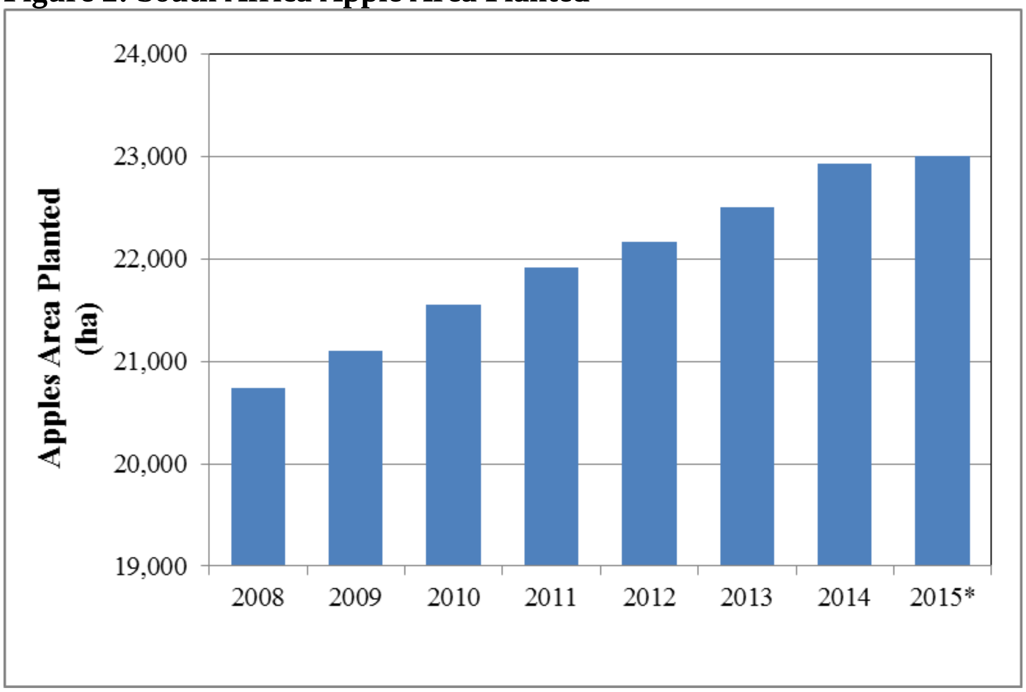
Apples are grown in several provinces around South Africa, but the Western Cape (WC) is the heartland of deciduous fruit production, accounting for approximately ninety percent of the total apple production and exports. The WC is a winter rainfall area and has a climate similar to the Mediterranean, which is favorable for apple production. The most important apple growing regions are Ceres, Groenland, Langkloof East, Villiersdorp, all located in the WC.

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, Golden Delicious cultivar has been the leading favorite and most planted cultivar ahead of the Granny Smith cultivar which was previously favored by producers. Other cultivars which have been growing steadily are Gala, Pink Lady and Fuji.

Area Planted

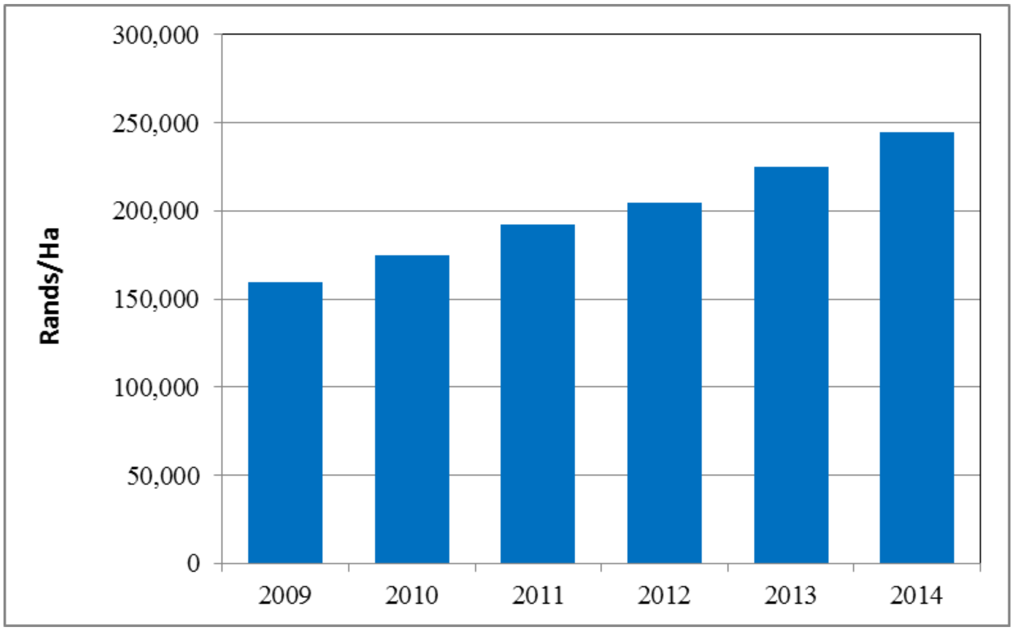
Post forecasts that the area planted to apples increased to 23,000 hectares (ha) in the 2014/15 MY following the growth trend in the past eight years. Post revised the area planted with apples to 22,929 ha in the 2013/14 MY based on industry data. The 2012/13 MY area planted remains unchanged at 22,501 ha. **Figure 2** shows that the area planted has increased steadily since 2008.

Figure 2: South Africa Apple Area Planted



**Estimate*
Source: HORTGRO

Figure 3: South Africa Apple Orchard Cost of Establishment



Source: HORTGRO

Figure 3 above shows that the cost of establishing an apple orchard has been since 2009. In the 2013/14 MY, the cost of establishing an apple orchard was R244,994/ha (US$20,416/ha), an increase of nine percent from the 2012/13 MY cost of R225,043/ha (US$18,754/ha), against a general price inflation of six percent in 2014. The rising orchard establishment costs has been cited as one of the reason for low orchard replanting and expansion. Most apple trees are ageing; about 34 percent are over 25 years old, mostly being the Golden Delicious, Granny Smith and Topred cultivar. Industry reported that the number of apple trees aged between zero and three years in the 2013/14 MY was nine percent, this is slightly below the recommended replacement stock of ten percent as per best practice. Apple production costs have also increased. In the 2013/14 MY, the cost of apple production was R279,805/ha (US$23,317/ha), an increase of six percent from the 2012/13 MY cost of R264,655/ha (US$22,055/ha). Key drivers of the increased costs were labor and fuel.

Consumption

Post forecasts that the 2014/15 MY domestic consumption of apples will be flat at 210,000 MT based on the available production supply and the slow economic growth in South Africa. Post revised the 2013/14 MY domestic consumption of apples to 210,303 MT based on updated industry data. The 2012/13 MY domestic consumption remains at 203,181 MT as reported by industry statistics and is based on a higher than expected crop being exported and less tonnage available to the local market.

Over the past years, growth in the domestic market 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. In addition, apples form part of the national food basket of goods which are monitored 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 (US$183 million), reports that apples rank among the top five highly consumed fruits in South Africa.

Trade

Exports

Post forecasts that South African apple exports will increase by ten percent to 420,000 MT in the 2014/15 MY based on the available production supply and the prevailing weak exchange rate. The 2013/14 MY exports have been revised downwards to 381,931 MT based on updated GTA data and mainly due to unseasonal hail and rainfall damage in November 2013 and slow sales in the European market. In 2014, Europe had a higher residual stock, with a lot of Northern Hemisphere fruit such as Royal Galas from France and Italy.

The 2012/13 MY exports remain unchanged at 459,327 MT based on updated Global Trade Atlas (GTA) data. The European Union (EU), which is the world's second largest apple importer, is South Africa`s traditional market with the United Kingdom (UK) being the biggest individual market. South Africa is a counter-seasonal producer, and is the Southern Hemisphere`s most convenient source for EU importers based on its proximity to the EU, and historical trading patterns, compared to other deciduous exporting countries like New Zealand, Chile, Brazil and Argentina. South Africa has recently been focusing on diversifying its export markets with expected growth to African markets such as Nigeria, Angola, Kenya, Zambia and Cameroon, and to Asia and the Middle East.

Table 1: South African Fresh Apple exports

South Africa Export Statistics
Commodity: 080810, Apples, Fresh
Year Ending: December

Partner Country	Unit	Quantity		
		Total 2012	Total 2013	Total 2014
World	T	388,728	459,327	381,931
United Kingdom	T	98,051	107,543	65,218
Malaysia	T	41,042	46,514	43,798
Nigeria	T	7,858	32,317	43,624
United Arab Emirates	T	19,261	23,946	16,228
Angola	T	21,930	19,789	16,853
Zambia	T	8,196	10,071	12,393
Singapore	T	11,574	12,549	12,083
Bangladesh	T	10,789	8,368	10,297
Kenya	T	7,881	10,385	11,170
Zimbabwe	T	13,450	12,153	12,123
Netherlands	T	16,436	33,371	12,171
Namibia	T	275	1,986	10,012
Oman	T	3,375	3,553	3,618
Botswana	T	76	1,395	8,525
Mauritius	T	5,316	5,841	5,201
Senegal	T	8,778	9,693	8,074
Swaziland	T	0	853	7,399
Benin	T	29,769	14,597	5,603
France	T	4,983	8,586	4,953
Ghana	T	13,552	11,249	6,257
Mozambique	T	2,849	5,088	5,754
Cameroon	T	6,581	6,833	4,305
Saudi Arabia	T	5,064	6,324	4,169
Cote d Ivoire	T	3,228	3,677	4,013
Germany	T	2,254	5,227	3,129
Lesotho	T	0	600	3,214
Russia	T	7,432	7,194	4,512
Togo	T	2,481	4,959	2,437
Gabon	T	2,075	2,994	3,319
Taiwan	T	3,374	6,211	5,390

Source: 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. Post forecasts that South African apple imports will be 100 MT in the 2014/15 MY based on US imports anticipated to pick up following the agreement on the import protocol by South Africa. The 2013/14 MY imports were revised to 21 MT based on updated GTA data. Imports from the United States are believed to be driven by some local consumers becoming more sophisticated and global in their buying patterns as United States apples are larger in size and also as a result of the United States and South Africa agreement on apple imports. Under the agreement, 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) or from the South African Department of Agriculture, Fisheries and Forests, on the following link: http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Plant-Health/Import-into-SA/Import-protocols.

Table 2: South African Fresh Apple imports

South Africa Import Statistics				
Commodity: 080810, Apples, Fresh				
Year Ending: December				
Partner Country	**Unit**	**Quantity**		
		2012	**2013**	**2014**
World	T	0	126	21
United States	T	0	125	21
Botswana	T	0	1	0

Source: GTA

Table 3: Tariff Rates, Fresh Apples

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

Source: SARS – Schedule 1 - Customs and Excise Tariffs

Table 4: PSD - Apples, Fresh

Apples, Fresh Market Begin Year South Africa	2012/2013 Jan 2013		2013/2014 Jan 2014		2014/2015 Jan 2015	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	22,500	22,501	22,700	22,929	23,000	23,000
Area Harvested	20,000	20,034	20,400	20,633	20,500	20,650
Bearing Trees	24,300	24,342	24,400	25,637	24,500	25,650
Non-Bearing Trees	3,000	2,998	3,100	2,536	3,200	3,000

Total Trees	27,300	27,340	27,500	28,173	27,700	28,650
Commercial Production	906,800	908,240	900,000	792,549	910,000	900,000
Non-Comm. Production	0	0	0	0	0	0
Production	906,800	908,240	900,000	792,549	910,000	900,000
Imports	100	126	100	21	100	100
Total Supply	906,900	908,366	900,100	792,570	910,100	900,100
Fresh Dom. Consumption	203,100	203,181	215,000	210,303	215,000	210,000
Exports	459,300	459,327	380,000	381,931	400,000	420,000
For Processing	244,500	245,858	305,100	200,336	295,100	270,100
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	906,900	908,366	900,100	792,570	910,100	900,100
HA, 1000 TREES, MT						

Commodities:
<u>Pears, Fresh</u>

Production

The 2014/15 MY forecast of South Africa`s pear production remains unchanged at 390,000MT based on normal growing conditions which were not better than the previous two seasons excellent conditions. Post revised upwards the 2013/14 MY production of pears to 413,614 MT based on final industry data, excellent growing conditions and an increase in area planted. The 2012/13 MY pear production is revised to 392,256 MT based on industry statistics.

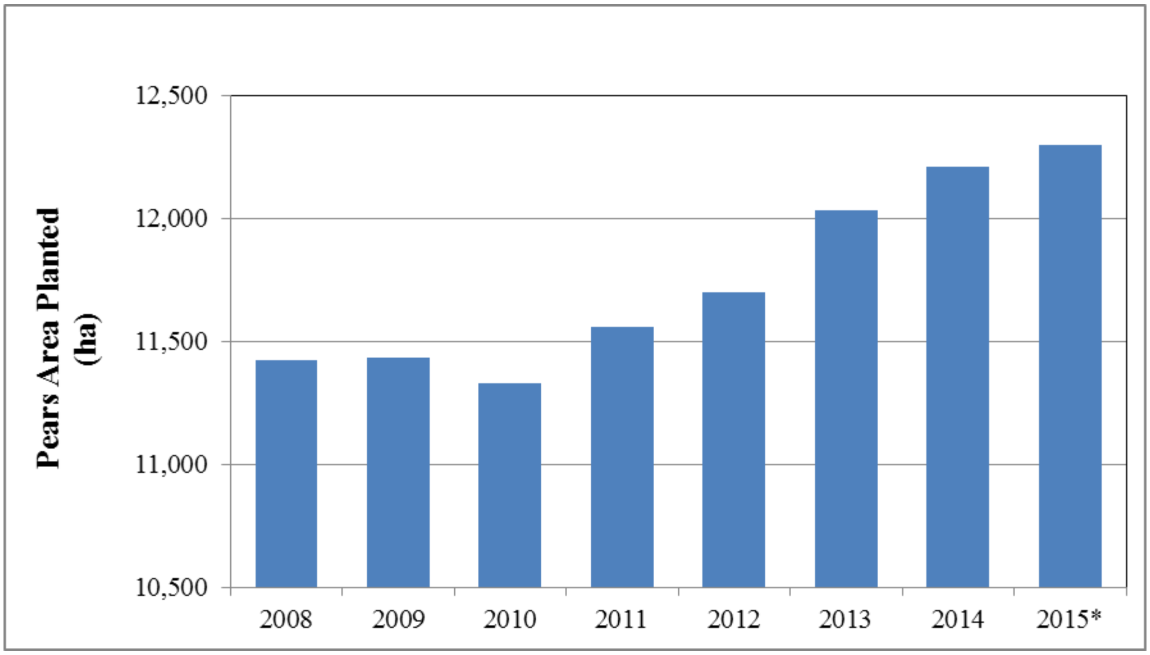
The major growing areas for pears in South Africa are Ceres, Groenland, Wolseley/Tulbagh (all in the Western Cape) and Langkloof East in the Eastern Cape. Like apples, pears grow well in areas that do not have very high temperatures; hence the Western Cape is the heartland of pear production, accounting for at least 79 percent of the total production in South Africa.

Pears are normally harvested from late December to early January. Packham's Triumph is the most popular variety planted, followed by Forelle, William Bon Chretien, and Abate Fetel.

Area Planted

The Post forecast of the area planted with pears remains unchanged at 12,300 ha in the 2014/15 MY. Post revised the 2013/14 MY area planted with pears to 12,211 ha, based on the latest industry tree census statistics. The 2012/13 MY area planted remains unchanged at 12,034 ha. **Figure 4** shows that the area planted with pears has increased steadily since 2010.

Figure 4: South Africa Pears Area Planted

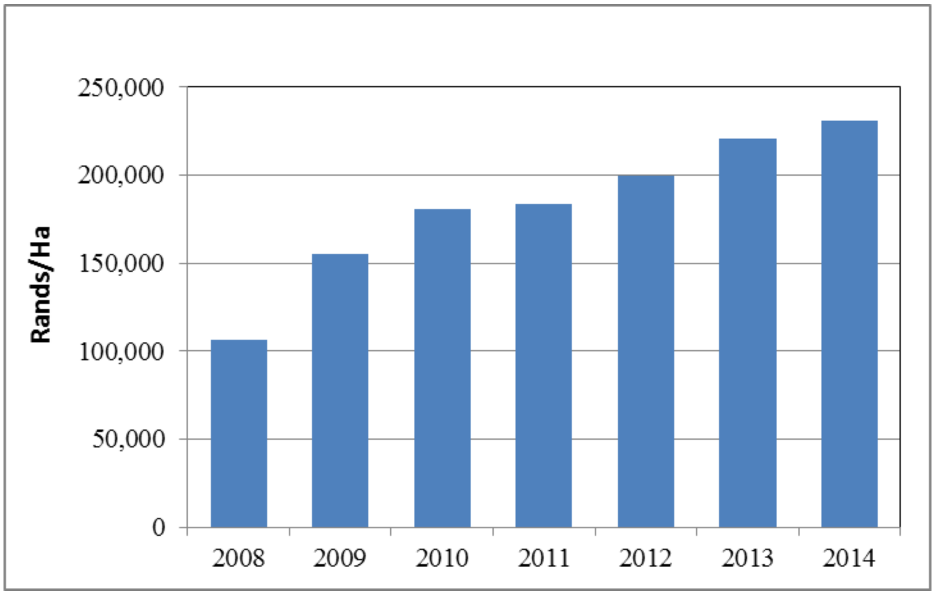


**Estimate*
Source: HORTGRO

Figure 5 shows that the cost of establishing an orchard has been rising since 2008. In the 2013/14 MY, the cost of establishing a pears orchard was R231,099/ha (US$19,258/ha), an increase of five percent from the 2012/13 MY cost of R220,419/ha (US$18,368/ha), against a general price inflation of 6 percent in 2014. The rising establishment costs have also been cited as one of the reasons for low orchard replanting and expansion. Most pear trees are ageing; about 29 percent are over 25 years old, and 33 percent are between 16 – 25 years old. Non-bearing trees between the ages of 0 – 3 years were eight percent in the 2013/14 MY, which is below the benchmarked best practice of maintaining the replacement stock (0 – 3 years) at above ten percent for sustainable and consistent supply.

Pears production cost have also increased. In the 2013/14 MY, the cost of pear production was R241,508/ha (US$20,126/ha), an increase of seven percent from the 2012/13 MY cost of R226,612/ha (US$20,790/ha). Key drivers of the increased costs were labor and fuel.

Figure 5: South Africa Pears Orchard Cost of Establishment



Source: HORTGRO

Consumption

Post forecasts that the domestic consumption of pears will remain flat at 50,000 MT in the 2014/15 MY based on available production supply, and the slow economic growth in South Africa. Post revised the 2013/14 MY estimate to 48,535 MT and the 2012/13 MY estimate to 49,333 MT based on updated industry statistics.

Local consumption of pears has been fluctuating on a yearly basis between 45,333MT to 67,379 MT between the 2002/03 MY and 2013/14 MY. The main drivers of the fluctuations in domestic consumption are the available crop and that pears and apples are close substitutes in the domestic market.

Trade

Exports

Post revised the 2014/15 MY exports of pears downwards to 200,000 MT based on information that South African exports are struggling in a saturated world market. The 2013/14 MY exports were revised downwards to 207,310 MT based on updated GTA data. The 2012/13 MY exports remain unchanged at 202,431 MT. The EU, is SA`s traditional market with Netherlands being the biggest individual market. The Middle East market has also shown strong growth over the years.

Table 5: South African Fresh Pears exports

South Africa Export Statistics

Commodity: 080830, Pears, Fresh				
Year ending December				
		Quantity		
Partner Country	Unit	Total 2012	Total 2013	Total 2014
World	T	181,929	202,430	207,310
Netherlands	T	50,520	64,685	55,055
United Arab Emirates	T	15,455	17,665	21,295
France	T	6,576	8,705	7,634
United Kingdom	T	17,785	20,257	17,540
Russia	T	16,180	15,486	15,541
Germany	T	7,770	10,793	10,458
Malaysia	T	8,019	5,715	8,576
Italy	T	5,240	7,032	8,292
India	T	3,822	2,806	4,556
Indonesia	T	4,182	3,739	4,304
Hong Kong	T	5,140	5,312	7,616
Portugal	T	3,817	5,396	4,409
Saudi Arabia	T	3,159	2,813	4,447
Singapore	T	4,196	3,601	4,388
Nigeria	T	305	905	2,380
Mauritius	T	1,741	1,383	1,667
Canada	T	5,532	4,363	3,821
Spain	T	676	1,953	1,747
Angola	T	2,533	2,027	1,977
Oman	T	2,446	1,628	1,909
Vietnam	T	239	301	1,018
Botswana	T	5	93	1,341
Namibia	T	11	77	1,418
Greece	T	518	943	1,312
Ireland	T	1,850	2,318	1,076

Source: GTA

Imports

As the second largest pear producer behind Argentina in the Southern Hemisphere, South Africa only imports small quantities of pears, with China as the leading source of Ya pears (white colored pears). Imports from China began after a 2007 agreement that allowed imports of Chinese pears into the South Africa market. The South Africa and Chinese agreement is available on the South African Department of Agriculture, Fisheries and Forestry on the following website link: http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/protocol_pear_China.pdf .

Table 6: South African Fresh Pears imports

South Africa Import Statistics				
Commodity: 080830, Pears, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	Total 2012	Total 2013	Total 2014
World	T	245	64	44
China	T	245	64	44

Source: GTA

Table 7: Tariff Rates, Fresh Pears

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

Source: SARS – Schedule 1 - Customs and Excise Tariffs

Table 8: PSD - Pears, Fresh

Pears, Fresh	2012/2013		2013/2014		2014/2015	
Market Begin Year	Jan 2013		Jan 2014		Jan 2015	
South Africa	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	12,000	12,034	12,200	12,211	12,300	12,300
Area Harvested	11,000	10,735	10,900	11,234	11,000	11,200
Bearing Trees	13,300	13,321	13,500	13,665	13,600	13,600
Non-Bearing Trees	1,900	1,916	1,900	1,863	2,000	2,000
Total Trees	15,200	15,237	15,400	15,528	15,600	15,600
Commercial Production	379,200	392,256	380,000	413,614	390,000	390,000
Non-Comm. Production	0	0	0	0	0	0
Production	379,200	392,256	380,000	413,614	390,000	390,000
Imports	100	64	0	44	100	100
Total Supply	379,300	392,320	380,000	413,658	390,100	390,100
Fresh Dom. Consumption	49,200	49,333	59,900	48,535	50,000	50,000
Exports	202,500	202,431	210,000	207,310	225,000	200,000
For Processing	127,600	140,556	110,100	157,813	115,100	140,100
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	379,300	392,320	380,000	413,658	390,100	390,100
HA, 1000 TREES, MT						

Commodities:

<u>Table grapes, Fresh</u>

Production

Post revised upwards the South African table grape production forecast to 340,000MT in the 2014/15 MY based on excellent growing conditions and the increase in area harvested as new plantings came into full production in two regions. The 2013/14 MY grape production was revised upwards to 318,143 MT based on the adjusted export volumes and industry figures. The 2012/13 MY grape production remains at 302,338 MT based on industry figures.

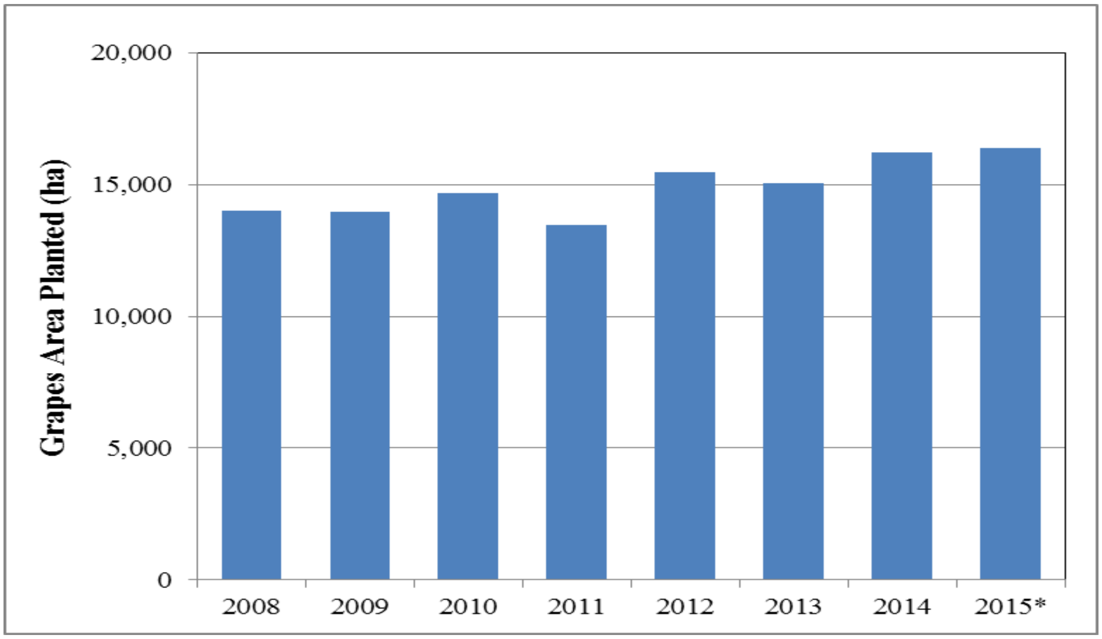
The major growing areas for grapes are the Berg River and Hex River in the Western Cape Province; and the Olifants River and Orange River in the Northern Cape Province. Grapes are normally harvested from October to May. Harvest starts in week 43 in the Northern Cape Region followed by Orange River region. Hex River valley is the last region for table grapes harvesting.

The leading varieties of South African Table Grapes are Crimson Seedless, Thomson Seedless, Prime and Flame. The cultivar profile in South Africa has changed in recent years, seeded cultivars are declining on a yearly basis as consumers prefer seedless grapes and production of black and red seedless varieties has increased. The popularity of seedless cultivars stems from characteristics such as large berry size (with elongated or oval berry shapes), favorable texture (crunchiness), and good eating qualities.

Area Planted

The 2014/15 MY area planted to table grapes remains unchanged from the previous estimate at 16,400 ha, however, the area harvested is forecasted to increase by a larger margin as more vines reach the fruit bearing maturity. Post estimates that the area planted in the 2013/14 MY will be 16,229 ha based on industry statistics, an increase of eight percent when compared to the 2012/13 MY area planted of 15,064 ha. **Figure 6** shows that the area planted to grapes has been increasing since 2008.

Figure 6: South Africa Grapes Area Planted



Estimate,
Source: SAGTI

Consumption

The 2014/15 MY domestic consumption remains unchanged at 27,000 MT. This represents an eight percent increase from the 2013/14 MY consumption of 25,076 MT based on the increase in production. The 2013/14 MY domestic consumption remains unchanged at 25,076 MT and the 2012/13 MY consumption remains unchanged at 27,420 MT, as reported by industry statistics.

The supply and domestic consumption of grapes in South Africa is dependent on the export market. Grapes that cannot be sold on the export market, including grapes that do not meet the export standards and quality are diverted to the domestic market. Grapes are mostly consumed by the middle and upper class population in South Africa.

Trade
Exports

Post revised upwards the 2014/15 MY table grapes exports to 318,000 MT based on the increase in production and the weak exchange rate. The 2013/14 MY exports were revised upwards to 298,422 MT based on updated GTA data. The 2012/13 MY exports remain unchanged at 279,482 MT.

The EU is the leading historical export market for South African grapes, accounting for approximately 79 percent of the 2013/14 MY table grapes 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 have also benefitted from a weaker Rand against the Euro. While South African table grapes enjoy strong sales to Europe, the industry is increasingly looking to diversify its export market by shifting its marketing focus to Asia and Middle East markets, which appear to show strong growth potential.

Table 9: South African Fresh Table Grapes exports

South Africa Export Statistics				
Commodity: 080610, Grapes, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	Total 2012	Total 2013	Total 2014
World	T	264,078	279,481	298,422
Netherlands	T	119,408	130,136	134,655
United Kingdom	T	47,447	57,569	65,732
Germany	T	8,303	7,083	9,202
Hong Kong	T	19,545	7,261	10,875
United Arab Emirates	T	10,716	9,007	11,265
Russia	T	10,212	13,594	9,380
Vietnam	T	677	1,759	1,927
Malaysia	T	7,981	7,699	6,948
Saudi Arabia	T	4,543	3,534	3,486
Spain	T	665	1,154	1,621
Norway	T	4,751	4,286	6,509
China	T	567	8,427	3,052
Italy	T	1,351	952	1,146
Singapore	T	4,520	4,240	3,450
Sweden	T	347	470	2,503
Canada	T	886	1,726	2,330
Nigeria	T	119	379	939
Zimbabwe	T	1,298	1,752	1,920
France	T	1,504	1,505	1,827
Angola	T	1,114	1,015	728
Mauritius	T	1,165	901	1,180
Indonesia	T	2,281	365	1,516
Namibia	T	17	194	1,136
Botswana	T	0	702	2,128
Mozambique	T	442	523	809
Denmark	T	214	408	934
Taiwan	T	1,859	1,514	574

Source: GTA

Imports

South Africa is a net exporter of table grapes, and imports are mainly to make up for out of season demand, with Egypt and Spain being the major suppliers, and a small quantity being imported from Israel.

Table 10: South African Fresh Table Grapes imports

South Africa Import Statistics				
Commodity: 080610, Grapes, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	Total 2012	Total 2013	Total 2014
World	T	4,114	4,564	5,355
Spain	T	2,748	2,575	2,456
Egypt	T	1,187	1,630	1,462
Namibia	T	0	239	1,272
Zambia	T	0	0	113
Israel	T	178	120	0

Source: GTA

Table 11: Tariff Rates, Fresh Table Grapes

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

Source: SARS – Schedule 1 - Customs and Excise Tariffs

Table 12: PSD; Table Grapes, Fresh

Grapes, Fresh	2012/2013		2013/2014		2014/2015	
Market Begin Year	Jan 2013		Jan 2014		Jan 2015	
South Africa	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	15,100	15,064	16,200	16,229	16,400	16,400
Area Harvested	13,100	13,114	12,500	12,600	13,200	13,200
Commercial Production	302,300	302,338	280,400	318,143	300,000	340,000
Non-Comm. Production	0	0	0	0	0	0
Production	302,300	302,338	280,400	318,143	300,000	340,000
Imports	4,600	4,564	4,600	5,355	5,000	5,000
Total Supply	306,900	306,902	285,000	323,498	305,000	345,000
Fresh Dom. Consumption	27,400	27,420	25,000	25,076	27,000	27,000
Exports	279,500	279,482	260,000	298,422	278,000	318,000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	306,900	306,902	285,000	323,498	305,000	345,000
HA, MT						

Policy

Table 13 provides the list of the regulations applicable to apples, pears and table grapes in South Africa. Exporters should also be aware that there is no law in South Africa governing an importer from requesting additional certifications over and above the legislation and regulations indicated in this section.

Table 13: List of key legislations and regulations

Policy	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

Table 14 below shows that the price of apples has always been higher than the price of pears in the local market, while in the export market, pears are normally priced higher than apples. The apple and pear prices in **Table 14** are the average prices (Rand/Ton) earned in the respective markets. The key driving forces of the increases in apple and pear export prices is the depreciation in the value of the rand and increasing world demand.

Table 14: Price of Apples and Pears

	APLES			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

Source: HORTGRO