



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - Public distribution

Date: 7/25/2008

GAIN Report Number: SF8027

South Africa, Republic of

Dried Fruit

Annual

2008

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Report Highlights:

South Africa's MY 2009/10 total raisin production is forecasted to increase 0.3 percent from MY 2008/09 to 40,300 MT. Both Sultana and Golden raisins are projected to increase 0.1 percent to 8,800 MT and 12,220 MT respectively, while Thompson seedless raisin is projected to rise (0.4 percent) to 19,200 MT. Raisin Muscat is projected to remain unchanged at 80 MT. Post forecasts MY 2009/10 total raisin sales for local consumption unchanged from MY 2008/09 at 8,900 MT because of stable prices, and total raisin exports will increase 0.3 percent to 31,400 MT.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Annual Report
Pretoria [SF1]
[SF]

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Executive Summary

South Africa's MY 2009/10 total raisin production is forecasted to increase 0.3 percent from MY 2008/09 to 40,300 MT. Both Sultana and Golden raisins are projected to increase 0.1 percent to 8,800 MT and 12,220 MT respectively, while Thompson seedless raisin is projected to rise (0.4 percent) to 19,200 MT. Raisin Muscat is projected to remain unchanged at 80 MT.

Post forecasts MY 2009/10 total raisin consumption unchanged from MY 2008/09 at 8,900 MT because of stable prices, and total raisin exports will increase 0.3 percent to 31,400 MT.

Background

South Africa's area planted to dried vine fruit is around the Upington district in the Northern Cape (90 percent), along the Lower Orange River, and the Fredendal area. The dried vine fruit industry is supplied by about 1,200 farmers. Dried vine fruits produced in South African are sultanas, raisins, and currants. Table grapes that cannot be sold in the fresh market are also used for dried vine processing. The common variety planted is sultana grapes, which are soft, juicy, amber colored with a very sweet flavor. Three sultana-grape variety produced are: the Sultana Clone H5; Merbein Seedless (resistant to splitting after rain); and the most popular type, the 143B. (SAD)

Type of dried vine produced

Sundried Thompson Seedless Raisins:

These are dark brown colored raisins produced from Thompson seedless sultana grape variety. To achieve quality that determines the texture, grapes are harvested when fully ripened (when the sugar content is at 22 degrees B) and picked in clusters, and dried to a moisture content of 16 percent.

Dipped Orange River Sultanas

These are sultana dried grapes that are light golden brown in color. Quality is achieved by picking the grapes at a sugar content of 19 degrees B, applying a pre-treatment (using a cold alkaline emulsion) to reduce the drying period, before placing the grapes in racks under shaded area that is dry and warm.

Golden Sultanas

Golden sultanas have a distinctive yellow color. For quality, grapes are picked at a sugar content of 20 degrees B, a pre-treatment (using a cold alkaline emulsion) is applied to reduce the drying period, before being stacked in wooden drying trays. The grapes are then fumigated in a sulphur chamber for about six hours.

Muscat Raisins

The raisins are large-berried and produced from seeded table grapes like Hanepoort and Datal. The grapes are pre-treated with a warm sodium hydroxide lye solution that reduces the drying period, before directly in the sun.

Monuca Raisins

These are dark black colored sun dried raisins, produced using the same method as for Thompson Seedless raisins.

Processing

Drying Process

South Africa's common method used to produce sultanas is: spraying the grapes with vegetable based drying oil to speed up evaporation, before sun drying the fruit either on racks placed in partial shade, or in special shaped concrete in the open sun. Drying period takes from 1 to 3 weeks at 16 percent moisture content for sultanas. The dried vine fruit are washed and oiled before packed (SAD).

Processors

The SAD Vine Fruit (Pty) Ltd, located in Uppington, has the largest dried vine fruit processing and packaging plant in South Africa. It started as a small co-operative and currently employs more than 350 seasonal labors. SAD exports about 80 percent of its product primarily to Europe but also to Japan, Taiwan, Korea, Canada and the USA.

Production

MY 2009/10 grape growing conditions are forecasted to fully recover from the previous two years that carried-over impacts of drought and heat waves which occurred during the growing season of MY 2007/08. Grape prices from drying processors will remain fairly unchanged from MY 2008/09. Grape farmers will sell slightly higher grape volumes (0.25 percent) than MY2008/09 because of stable high prices.

Post forecasts MY 2009/10 total raisin production to increase 0.3 percent from MY 2008/09 to 40,300 MT. Both Sultana and Golden raisins are projected to increase 0.1 percent to 8,800 MT and 12,220 MT respectively, while Thompson seedless raisin is projected to rise (0.4 percent) to 19,200 MT. Raisin Muscat is projected to remain unchanged at 80 MT.

Industry's updated MY 2008/09 estimate expects grape production areas to carry-over impacts of drought and heatwaves that occurred during the growing season for MY 2007/08, which in-turn, stimulated higher prices from the drying processors. Grape farmers therefore increased grape supply to processors of sultana raisin and raisin Muscat, and reduced supply to processors of Thompson seedless and Golden sultana raisins.

MY 2008/09 total raisin production is therefore expected to decrease 3.9 percent to 40,201 MT. However, Sultana raisin production is expected to increase 98.2 percent from MY2007 to 8,790 MT and Raisin Muscat by 9.6 percent to 80 MT). Golden sultanas are expected to decrease 6.5 percent to 12,210 MT, and Thompson seedless raisins by 21.2 percent mainly because of lower returns compared to other raisins.

Industry's actual MY 2007/08 raisin production is estimated at 41,832 MT, a 6.9 percent from 2006/07 because of increased supply to drying processors. Prices offered by drying processors were higher compared with fresh produce markets because the grapes were of a lower quality for fresh consumption. Grape production areas experienced drought and heatwaves during the growing season that affected quality on the fresh production markets in MY 2007/08. The processors used more grapes to produce sultanas and golden raisins because these products command higher prices (See prices under marketing). Golden sultanas increased 48.3 percent to 13,054 MT, Sultanas by 41.8 percent to 8,800 MT, and

Raisin Muscat by 21.7 percent to 73 MT. Thompson seedless raisins decreased 10.6 percent mainly because of a lower return.

Production Areas

Production regions are the Western and Southern parts of the Western Cape, and the Lower and Upper Orange River areas of the Northern Cape

Consumption

Post forecasts MY 2009/10 total local raisin consumption unchanged from MY2008/09 at 8,900 MT because raisin processors are projected to keep raisins volumes for sale in the local market due to stable prices. Updated MY 2008/09 local raisin consumption is increased 13.2 percent to 8,901 MT mainly because of usage of last year's stocks.

Trade

Imports

South Africa's local raisin markets are traditionally supplied by the United States, Sweden and Turkey. However, penetration by other markets increased since MY 2006/07. Although the United States took second position within the country's import market share in MY 2007/08 at 110 MT, it plummeted to 0 MT in MY 2008/09, making Sweden the only supplier at 17 MT.

Exports

Post forecasts South Africa's MY 2009/10 total raisin exports to increase 0.3 percent from 2008/09 to 31,400 MT because of improved prices due to demand. Post updated MY 2008/09 raisin exports to increase 0.13 percent from 2007/08 to 31,300 MT because of increased prices.

South Africa's exported 31,259 MT of raisins in MY 2007/08, mainly to Canada (18.5 percent), United States (18 percent), Netherlands (10.9 percent), United Kingdom (8.4 percent), and France (7.8 percent).

Although South Africa's Revenue Services (Customs) figures reflected the total raisin exported in MY 2007/08 at 41,162 MT, the importing countries reported a total of 31,259 MT. This gives a significant difference in the data that may affect reliability of the trade figures. For example, South Africa reported exports of 12,076 MT to Canada, while Canada reported raisin import of 5,766 MT from South Africa.

Stocks

South Africa's raisin stock levels are decreasing from previous years, although the current levels are expected to be enough to meet demand. Post forecast MY 2009/10 raisin stocks to increase 0.2 percent from 2007/08 to 6,020 MT. MY 2008/09 is updated to increase 0.2 percent from MY 2007/08 to 6,010 MT.

Policy

<http://www.sadfoods.co.za> – for MRL.

<http://www.agric.gov.za/docs/fruit%20Industries.pdf> – Evaluation of the table grape and dried grape industry.

SAD management systems includes certified ISO 9001 (Quality) and HACCP (food safety), BRC(Global standard for food) and ISO 14001 (Environmental management systems).

Marketing

Sales of grapes for drying processing are conducted mainly through agents. Processed products are sold locally to retailers, supermarkets, and the hospitality industries.

Prices for raisins

Raisins Prices (Rand/Ton)					
Sultana Types	YEARS				Percentage change 07/06
	2004	2005	2006	2007	
Golden	6,643	7,100	7,650	8,075	5.6
Thompson seedless raisins	4,030	5,270	5,310	5,317	0.13
Other raisins	4,287	4,871	5,550	6,000	8.1

Source: OABS

Prices for golden raisins increased 5.6 percent to R8,075 a ton in MY2007/08 because of increased demand. Prices of other raisins increased 8.1 percent to R6,000 a ton , while prices for Thompson raisins increased marginally (0.13 percent) to R5,317 a ton.

Business Opportunities

The Northern Cape Provincial government identified potential investment opportunities in expanding the agro-processing, wine-making, dried vine fruit industries, and packaging plants.

MATRICES

PRODUCTION OF DRIED FRUIT (TON)

Fruit type	2003	2004	2005	2006	2007	2008	2009*	2010**
						Estimate	Forecasted	Projected
<u>Sultana types:</u>								
Sultana	6,507	5,716	1,980	3,128	4,435	8,790	8,800	6,000
Golden	7,473	7,557	8,285	8,800	13,054	12,210	12,220	13,000
Thompson seedless raisins	20,858	24,814	18,219	27,161	24,270	19,121	19,200	21,900
Raisins muscat	115	129	81	60	73	80	80	100
Total vine fruit	34,953	38,216	28,565	39,149	41,832	40,201	40,300	41,000

Source: Dried Fruit Trust, * = Post Estimates, ** = Post projections

PSD

Raisins South Africa	2006			2007			2008		
	2006/2007			2007/2008			2008/2009		
	Market Year Begin: Jan 2006			Market Year Begin: Jan 2007			Market Year Begin: Jan 2008		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
			Data			Data			Data
Area Planted	9200	9200	9200	9200	9200	9140			9160
Area Harvested	8000	8000	8660	8000	8000	8600			8620
Beginning Stocks	3271	3271	3271	6871	6871	6000			6010
Production	44000	44000	41832	45000	45000	40201			40300
Imports	600	600	17	600	600	10			10
Total Supply	47871	47871	45120	52471	52471	46211			46320
Exports	27000	27000	31259	30000	30000	31300			31400
Domestic Consumption	14000	14000	7861	14000	14000	8901			8900
Ending Stocks	6871	6871	6000	8471	8471	6010			6020
Total Distribution	47871	47871	45120	52471	52471	46211			46320
TS=TD			0			0			0
Comments									
AGR Number									

Comments To Post

Imports

Year (Jan-Dec)	United States	Sweden	Turkey	Others	Total
2005	61	0	2,612	116	2,789
2006	111	0	0	122	233
2007	0	17	0	0	17

Source: GTA

Exports

Year (Jan-Dec)	U.S.	Canada	Netherlands	U.K.	France	Algeria	Others	Total
2005	2,310	4,613	2,773	2,551	2,832	585	6,278	21,942
2006	2,871	6,743	1,668	2,269	2,414	856	7,241	24,062
2007	5,615	5,766	3,412	2,639	2,427	2,238	9,162	31,259

Source: GTA