United States Department of Agriculture
Foreign Agricultural Service

GAIN
Global Agricultural Information Network

Required Report: Required - Public Distribution **Date:** December 09,2020

Report Number: SF2020-0064

Report Name: Citrus Annual

Country: South Africa - Republic of

Post: Pretoria

Report Category: Citrus

Prepared By: Wellington Sikuka

Approved By: Kyle Bonsu

Report Highlights:

The production of South African citrus, mainly soft citrus, new orange varieties, lemons and limes is forecast to continue its strong growth in the 2020/21 Marketing Year (MY), based on the increase in area planted, improved yields, high level of new-plantings coming into full production, and the minimal impact of COVID-19 on labor and input supply. Duty free exports of citrus to the United States under the African Growth Opportunity Act (AGOA) are expected to continue their strong annual growth, as the United States is still considered a premium market.

Commodities:
Citrus, Other, Fresh
Grapefruit, Fresh
Oranges, Fresh
Tangerines/Mandarins, Fresh
Lemons, Fresh
Orange Juice

Exchange rate: Rand/US$ Exchange = 15.29 as of December 2, 2020
Marketing Year (MY) – January to December
MT – Metric Tons

Sources:
Citrus Growers Association - http://www.cga.co.za/
Summer Citrus South Africa - https://www.summercitrus.com/
Ministry of Agriculture, Land Reform and Rural Development - https://www.daff.gov.za/
South African Revenue Services - https://www.sars.gov.za/

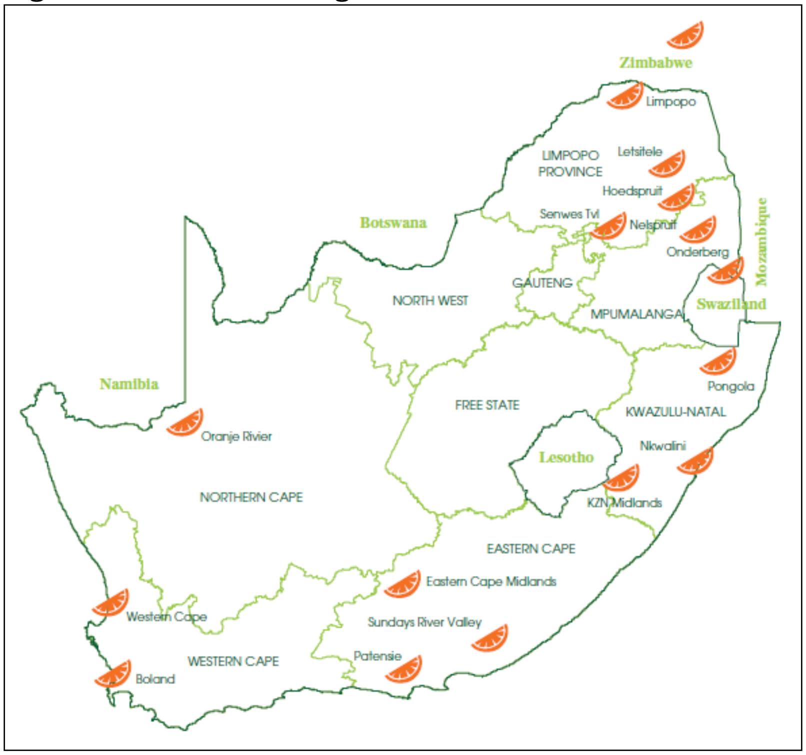
Background

Citrus in South Africa is grown across the country mainly in the Limpopo, Eastern Cape, Western Cape, Mpumalanga, Kwa Zulu Natal, Northern Cape and North West provinces. **Figure 1** shows the map of the citrus growing areas in South Africa. A total of 86,808 hectares was planted to citrus in South Africa in 2019, a 6 percent increase from 81,603 hectares in 2018. This growth trend is forecast to continue in 2020 to 95,200 hectares, based on the significant investments and aggressive new plantings of soft citrus, lemons, and new varieties of oranges.

The Limpopo province is the country's largest citrus production area, accounting for 42 percent of the total area planted, followed by the Eastern Cape (27 percent), Western Cape (19 percent), Mpumalanga (8 percent), Kwa Zulu Natal (2 percent), Northern Cape (2 percent), North West (less than 1 percent), and Free State (less than 1 percent). The Western Cape and Eastern Cape have a cooler climate, which is suited for the production of the navel oranges, lemons, limes, and tangerines/mandarins (soft citrus). The Mpumalanga, Limpopo and KwaZulu-Natal provinces have a warmer climate, which is better suited to the production of grapefruit and Valencia oranges.

While oranges are the biggest citrus type produced in South Africa and account for 50 percent of the total citrus area planted, there has been notable growth in the area planted to soft citrus and lemons/limes. This growth is driven by the attractive investment returns, profit margins from soft citrus and lemon production, and a spike in global demand. **Table 1** shows the most common citrus varieties planted in South Africa. In 2016, the tango citrus variety, which was developed by the University of California Riverside, was granted the plant breeders right in South Africa and is expected to offer competition to the Nardocott variety. **Table 2** shows that the citrus harvesting season typically ranges from February to September.

Figure 1: Citrus Growing Areas in South Africa.



Source: Citrus Growers Association (CGA)

Table 1: Citrus Varieties

Citrus Type	Varieties
Grape fruit	Star Ruby, Marsh, Rose, Flame, Nelspruit Ruby (Nelruby), Flamingo
Oranges	**Valencias -** Delta, Midknight, Turkey, Oukloon (Olinda, Late), Du Roi, Benny. **Navels -** Palmer, Bahianinha, Washington, Robyn, Navelina, Lane Late, Newhall, Cambria, Cara Cara, Rustenburg, Autumn Gold
Mandarins/ Tangarines	**Clementine -** Nules, Marisol, SRA, Oroval, Esbal, Clemenpons, Oronules. **Mandarin –** Tango, Nadorcott (Afourer), Nova, Or (Orri), Minneola, Mor , B17, Tambor , Naartjie, Thoro Temple, Sonet, B24 (African Sunset) **Satsuma -** Miho Wase, Owari, Kuno, Miyagawa Wase, Okitsu Wase, Aoshima.
Lemons/Lime	Eureka, Eureka SL, Lisbon, Limoneira, Genoa

Source: CGA

Table 2: South Africa Harvest Period for Citrus

Citrus	Harvest Period
Marsh Grapefruit	March to June
Star Ruby Grapefruit	April to September
Navel Oranges	March to July
Valencia Oranges	July to September
Mandarins/Tangarines	March to August
Lemons/Lime	February to September

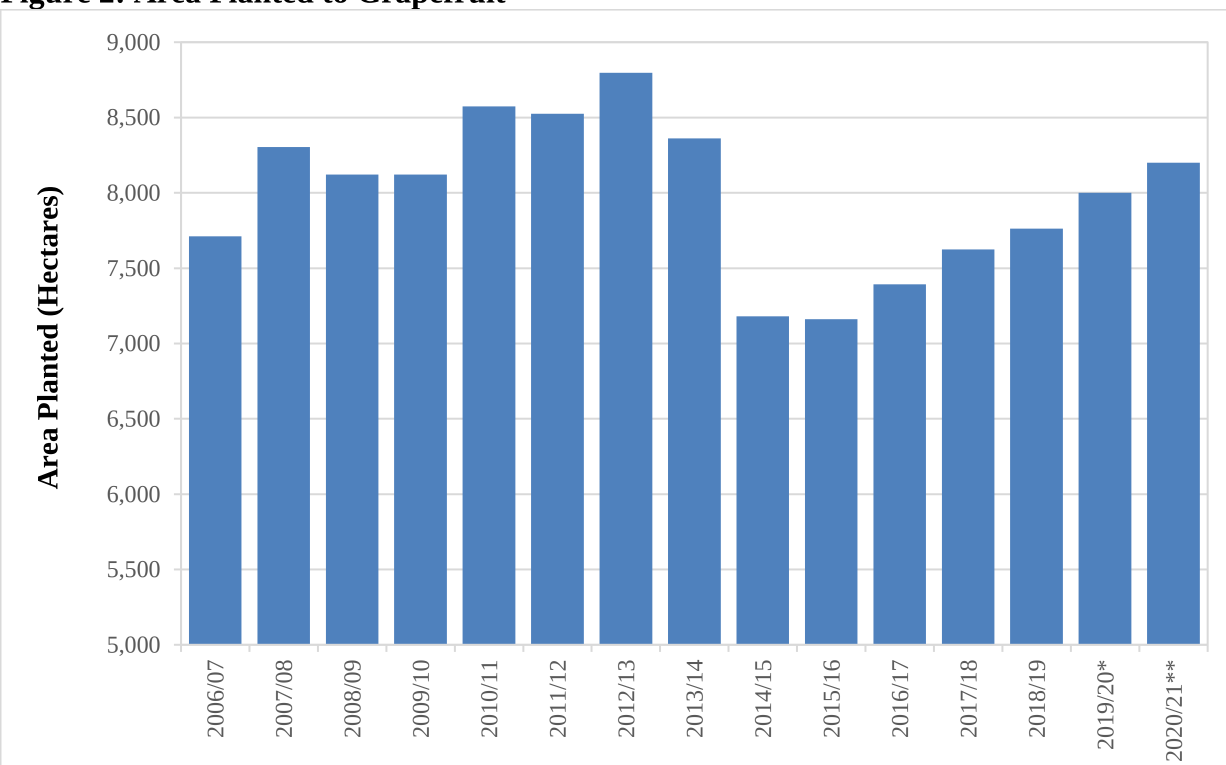
Source: CGA

Grapefruit, Fresh

Area Planted

The area planted to grapefruit is forecast to increase by 3 percent to 8,200 hectares (ha) in the 2020/21 Marketing Year (MY), from 8,000 ha in the 2019/20 MY, based on the industry responding to the increasing global demand especially in Europe, Asia and the Middle East. **Figure 2** shows that while grapefruit area planted has been increasing since the 2014/15 MY, it has not reached the peak area planted recorded in the 2012/13 MY. Limpopo is the leading growing region for grapefruit accounting for 58 percent of the total area planted, followed by Mpumalanga (22 percent), Kwa-Zulu Natal (9 percent), Northern Cape (7 percent), Eastern Cape (4 percent) and the Western Cape (less than 1 percent). The predominant variety planted is the Star Ruby accounting for 84 percent of the area planted due to its high global demand, followed by the Marsh variety at 12 percent. Other grapefruit varieties planted include Rose, Redheart, Pomelit, Java Shaddock, Flame, Nartia, and Fe 1(Jackson).

Figure 2: Area Planted to Grapefruit



*Estimate, **Forecast
Source: CGA & Post Estimates

Production

The production of grapefruit is forecast to increase by 1 percent to 360,000 Metric Tons (MT) in the 2020/21 MY, from 358,000 MT in the 2019/20 MY. This is based on normal weather conditions, good rainfall received in the main growing areas, and the increase in area planted. Dam levels in all the production areas in 2020 seem to be higher than the levels in 2019, an indication that there will be sufficient irrigation water in the upcoming 2020/21 MY. Furthermore, grapefruit production tends to be cyclical and the 2019/20 MY was a down year. Post revised downwards the 2019/20 MY production estimate to 358,000 MT, based on final industry data. Grapefruit is normally harvested between March and September, and the impact of COVID-19 on production, harvest and labor has been minimal to date.

Consumption

Grapefruit consumption is forecast to increase to 8,500 MT in the 2020/21 MY, from 8,000 MT in the 2019/20 MY. This is based on the rise in production, and to the growing awareness and perceived health benefits of grapefruit in the domestic market. Citrus has seen a surge in demand due to the assumed benefits of Vitamin C in boosting immunity against COVID-19.

Notably, grapefruit is not a very popular citrus fruit in the domestic market, with many consumers largely unfamiliar to its qualities and taste in South Africa. As a result, the fresh grapefruit per capita consumption in South Africa is still relatively low at below 1 kg per annum because the majority of the population has not acquired the taste for grapefruit.

Processing

On average, 29 percent of total grapefruit produced is used for processing. Post forecasts that the grapefruit delivered for processing will decrease by 3 percent to 92,000 MT in the 2020/21 MY, from 95,000 MT in the 2019/20 MY, based on the increase in exports and consumption. Grapefruit is processed to juice and concentrate, the majority of which is exported to Europe. The left-over pulp following commercial juice extraction is an important source of grapefruit oil which is used as a flavoring agent in many soft drinks. The inner peel is a source of pectin and citric acid, which are both used by the food industry to preserve fruits, jams, and marmalades. Naringin is also extracted from grapefruit peel, and gives tonic-water its distinctive bitter flavor. The grapefruit peel oil is used in scented fragrances.

Exports

Post forecasts that grapefruit exports will increase by 2 percent to 260,000 MT in the 2020/21 MY, from 256,000 MT in the 2019/20 MY, based on the rise in production and continued demand for citrus in global markets for health reasons. Citrus has seen a surge in demand due to the assumed benefits of Vitamin C in boosting immunity against COVID-19. The 2019/20 MY export of grapefruit was revised downwards to 256,000 MT based on final Trade Data Monitor figures.

Europe is the largest market for South African grapefruit exports accounting for 48 percent of total exports in 2019, followed by Asia at 35 percent. Although South Africa has a free trade agreement with the European Union (EU) which allows duty free access for its citrus exports, South Africa continues to face challenges due to Citrus Black Spot (CBS) and False Coddling Moth (FCM) in the EU market. Industry estimates that it is costing South Africa almost R1.8 Billion (US$118 Million) to address and comply with the CBS requirements in the EU market.

While total volumes are still low, grapefruit exports to the United States have been growing exponentially by an average of 65 percent per annum in the past five years, from 76 MT in the 2012/13

MY, to 5,347 MT in the 2018/19 MY. Grapefruit exports to the United States are expected to continue rising based on the growing demand, good quality fruit, and to a lesser extent the continuation of duty free access through the African Growth and Opportunity Act (AGOA). The Middle East, Canada and Africa are also growing markets for South African grapefruit.

Table 3: South African Fresh Grapefruit Exports

South Africa Exports to the World							
Commodity: 080540, Grapefruit, Fresh Or Dried							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	220,318	202,527	230,635	288,155	258,423	242,600
Netherlands	T	53,256	59,236	63,868	68,184	75,083	71,953
China	T	19,972	17,463	20,254	54,530	36,439	47,229
Japan	T	44,802	31,154	39,505	37,688	30,072	26,826
Russia	T	18,020	15,842	19,187	20,064	14,128	21,861
Hong Kong	T	5,034	5,828	7,162	13,761	12,130	13,270
United Kingdom	T	11,415	9,965	11,990	12,275	11,779	10,498
Italy	T	11,976	9,365	9,533	12,858	10,434	9,399
Eswatini	T	3,575	3,229	4,463	4,861	7,459	3,301
Portugal	T	4,368	5,991	6,231	7,768	7,384	4,522
South Korea	T	9,032	9,760	10,634	9,732	6,918	4,095
Canada	T	7,127	5,022	6,657	9,504	6,665	6,252
United States	T	1,802	3,737	4,293	4,729	5,347	5,310
France	T	5,816	3,183	3,251	4,328	5,106	699
Germany	T	1,819	5,015	2,386	3,912	4,135	968
United Arab Emirates	T	4,625	4,238	3,967	4,156	4,128	3,471
Ireland	T	834	768	278	1,011	3,321	516
Sweden	T	887	767	872	481	2,857	481
Taiwan	T	2,801	2,011	3,344	3,268	2,233	2,429
Ukraine	T	1,123	1,016	1,494	1,427	1,339	2,029
Greece	T	1,317	1,128	1,325	1,535	1,326	647
Switzerland	T	295	0	0	41	1,236	0
Spain	T	23	42	545	1,105	1,053	295
Saudi Arabia	T	1,655	680	707	1,168	1,033	748

*Exports up to September 2020.
Source: Trade Data Monitor (TDM)

Imports

South Africa is not a major importer of grapefruit. Imports mainly originate from Eswatini (formerly Swaziland), Spain, Turkey and Israel to fill the small demand gap towards the end of the season. Eswatini benefits from duty free access to South Africa under the Southern African Customs Union (SACU) and the close proximity as a neighboring country.

Table 4: South African Fresh Grapefruit Imports

South Africa Imports from the World							
Commodity: 080540, Grapefruit, Fresh Or Dried							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	7,259	3,983	1,211	2,703	1,476	1,052
Eswatini	T	6,355	2,862	66	2,083	685	753
Spain	T	423	474	514	374	382	166
Israel	T	56	136	225	134	248	59
Turkey	T	166	275	354	93	122	45
Other	T	239	177	52	0	20	0
Portugal	T	0	0	0	0	19	0
Netherlands	T	0	21	0	0	0	0
Canada	T	0	19	0	0	0	0
China	T	21	19	0	0	0	0
Egypt	T	0	0	0	0	0	29
India	T	0	0	0	18	0	0

*Imports up to September 2020.
Source: TDM

Prices

Table 5 shows the local, export and processed market prices for grapefruit since the 2004/05 MY. Grapefruit prices for the export and local markets have increased over the past five years based on the weakening rand to the United States dollar exchange rate. Processed and local market prices tend to fluctuate based on supply. Export prices continue to provide the highest prices for South African grapefruit, which explains why the industry is export oriented.

Table 5: Grapefruit Prices

MY	Local Market Average Price Rand/ MT	Export Market Average Price Rand/ MT	Processed Average Price Rand/ MT
2004/05	1,487	925	325
2005/06	1,493	1,764	386
2006/07	1,796	2,712	237
2007/08	2,283	3,658	152
2008/09	1,839	1,846	240
2009/10	1,437	4,351	268
2010/11	2,107	3,723	383
2011/12	2,275	4,371	377
2012/13	2,352	5,060	376
2013/14	3,020	5,247	401
2014/15	3,866	5,737	310
2015/16	5,154	7,898	409

2016/17	2,472	7,762	596
2017/18	5,246	8,234	1,593
2018/19	2,908	7,990	1,523

Source: CGA
USD $1 = Rand R15.29 (as of December 2, 2020)

Table 6: Production, Supply and Demand (PSD) of Grapefruit, Fresh

Grapefruit, Fresh	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	7762	7762	8000	8000	0	8200
Area Harvested (HECTARES)	7400	7400	7700	7700	0	7900
Bearing Trees (1000 TREES)	7400	7400	7600	7600	0	7800
Non-Bearing Trees (1000 TREES)	800	800	900	900	0	920
Total No. Of Trees (1000 TREES)	8200	8200	8500	8500	0	8720
Production (1000 MT)	372	372	387	358	0	360
Imports (1000 MT)	1	1	2	1	0	1
Total Supply (1000 MT)	373	373	389	359	0	361
Exports (1000 MT)	258	258	270	256	0	260
Fresh Dom. Consumption (1000 MT)	8	8	9	8	0	9
For Processing (1000 MT)	107	107	110	95	0	92
Total Distribution (1000 MT)	373	373	389	359	0	361
(HECTARES) ,(1000 TREES) ,(1000 MT)						

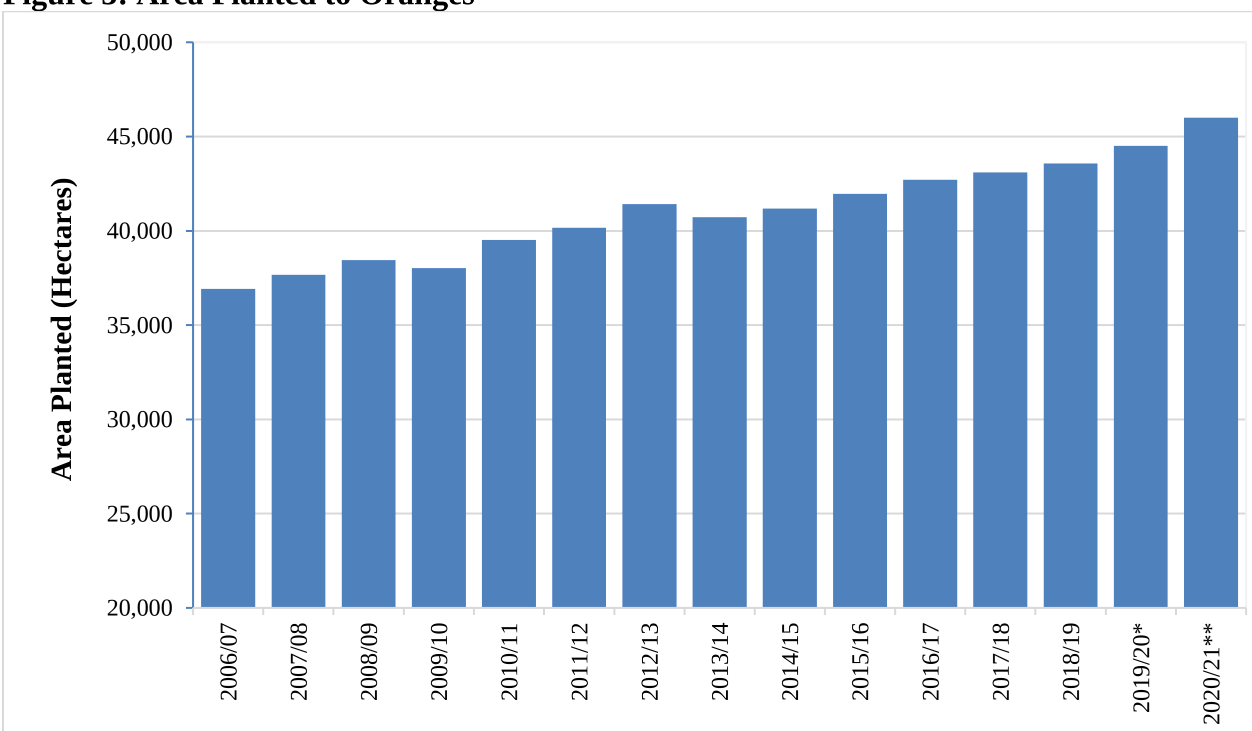
Oranges, Fresh

Area Planted

The area planted with oranges is forecast to grow by 2 percent to 46,000 hectares in the 2020/21 MY, from 44,500 hectares in the 2019/20 MY, based on the increases in area planted to seedless orange varieties and late maturing varieties. This rise will be partially offset by the industry shift from orange production to soft citrus in the Western Cape and Limpopo growing regions. **Figure 3** below shows the growing trend in the area planted to oranges since the 2006/07 MY.

Limpopo is the leading growing region for oranges accounting for 49 percent of the total area planted, followed by the Eastern Cape (25 percent), Western Cape (15 percent), Mpumalanga (7 percent), Northern Cape (2 percent), KwaZulu Natal (1 percent), North West Province (less than 1 percent), and the Free State (less than 1 percent). Valencia's account for about 64 percent of the total area planted to oranges, and Navels account for 36 percent. The predominant variety planted is the Midnight accounting for 23 percent of the total area planted, followed by the Valencia Late variety at 12 percent, Delta (11 percent), Palmer (7 percent), Turkey (6 percent), Bennie (6 percent), Bahianinha (5 percent), Cambria (5 percent) and Washington (4 percent).

Figure 3: Area Planted to Oranges



*Estimate, ** Forecast.
Source: CGA & Post Estimates.

Production

The production of oranges is forecast to increase by 3 percent to 1.70 million MT in the 2020/21 MY, from 1.65 million MT in the 2019/20 MY. This increase is based on normal weather conditions, good rainfall in the main growing regions, the rise in area planted, better water management techniques by farmers, and new plantings of high yielding and late maturing varieties. The 2019/20 MY production of oranges was revised upwards to 1.65 million MT, based on final industry data and higher than expected yields. Oranges are normally harvested between March and September, and the impact of COVID-19 on production, harvest and labor has been minimal to date.

Consumption

Post forecasts that the consumption of oranges will increase by 3 percent to 80,000 MT in the 2020/21 MY, from 78,000 MT in the 2019/20 MY, based on the rise in production and increase in demand due to the associated benefits of Vitamin C in boosting immunity against COVID-19. South Africa prioritizes supplying export markets, and the surplus oranges or those that do not meet the export standards are supplied to the fresh domestic and processed markets. Fresh oranges are the most popular citrus consumed in South Africa with a per capita consumption of about 1.5 kg per annum.

Exports

The export of oranges is forecast to rise by 2 percent to 1.32 million MT in the 2020/21 MY, from 1.29 million MT in the 2019/20 MY, based on the increase in production, and continued spike in demand due to the assumed benefits of Vitamin C in boosting immunity against COVID-19. The 2019/20 MY export of oranges was revised upwards to 1.29 million MT based on the pace of exports up to September 2020.

The EU remains South Africa’s largest export market for oranges, accounting for 38 percent of the total export market. However, exports to Asia and the Middle East have grown steadily over the years due to the industry’s focus on growing these markets.

Exports to the United States are expected to continue based on the duty free access under the African Growth and Opportunity Act (AGOA). However, a gradual shift from oranges to soft citrus exports is expected over time, as South African farmers supplying the U.S. market have been re-planting their orchards from oranges to soft citrus in response to market preferences and the higher premium received in the U.S. market. Exports to the United States decreased in 2019, due to the shift from oranges to soft citrus and small fruit sizes.

Table 7: South African Fresh Orange Exports

South Africa Exports to the World							
Commodity: 080510, Oranges, Fresh							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	1,159,435	1,064,089	1,170,813	1,278,935	1,186,426	1,177,367
Netherlands	T	231,978	221,671	258,526	233,619	224,343	272,624
China	T	44,269	48,644	78,290	109,995	150,388	78,603
Saudi Arabia	T	86,906	93,195	81,541	84,448	83,587	59,489
United Arab Emirates	T	116,098	99,483	86,156	80,989	75,602	80,082
Russia	T	89,439	68,332	79,234	87,147	71,665	76,038
United Kingdom	T	67,296	60,204	73,360	75,954	62,362	69,304
Portugal	T	54,840	57,824	67,514	79,998	58,390	104,238
Hong Kong	T	43,447	49,892	69,032	66,255	54,827	49,790
Bangladesh	T	38,861	32,603	45,541	59,399	44,041	56,925
Iraq	T	0	102	280	26,413	34,692	28,073
Malaysia	T	28,213	28,936	28,239	30,704	32,601	25,395
Italy	T	36,361	33,515	38,065	42,667	31,355	40,413
United States	T	44,721	40,416	39,838	45,120	30,990	49,952
Canada	T	37,874	32,508	31,859	36,722	29,957	33,802
France	T	25,589	17,074	6,729	17,456	18,186	6,736
Kuwait	T	47,246	25,943	23,239	21,029	15,062	8,848
Germany	T	3,556	10,796	10,705	16,276	13,073	7,432
Qatar	T	6,713	4,122	8,917	12,287	10,389	7,762
India	T	11,127	4,265	11,474	9,705	10,044	11,393
Oman	T	7,511	5,266	11,248	10,339	9,926	10,057
Singapore	T	11,335	9,082	12,475	14,384	9,343	8,076
Spain	T	50	845	2,348	6,928	9,202	4,540
Belgium	T	2,149	3,412	2,831	6,411	7,610	3,895
Sweden	T	7,007	7,047	6,496	6,141	7,167	6,776
Mozambique	T	11,317	4,486	5,339	6,115	6,598	3,428
Ireland	T	3,777	4,747	3,677	6,136	5,405	6,209

*Exports up to September 2020.
Source: TDM

Imports

The import of oranges is forecast to decrease to 2,000 MT in the 2020/21 MY, from 3,834 MT in the 2019/20 MY, based on the high available supply. Relatively small volumes of oranges are usually imported into South Africa in November and December to close supply gaps and satisfy year-end demand.

Table 8: South African Fresh Orange Imports

South Africa Imports from the World							
Commodity: 080510, Oranges, Fresh							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	16,670	3,468	3,326	3,672	3,834	1,853
Eswatini	T	11,891	350	805	2,270	2,671	720
Spain	T	361	531	1,150	645	991	834
Egypt	T	139	24	121	136	52	161
Mozambique	T	0	0	0	0	27	0
Portugal	T	0	21	0	0	24	0
Other	T	3,984	2,310	1,080	621	69	55
Russia	T	26	0	0	0	0	0
Saudi Arabia	T	0	0	113	0	0	0
Turkey	T	0	26	24	0	0	0
United Kingdom	T	20	0	0	0	0	0
Netherlands	T	25	122	0	1	0	0
Bahrain	T	0	0	27	0	0	0
Belgium	T	0	50	0	0	0	0
China	T	221	0	0	0	0	0
Israel	T	0	11	6	0	0	37
Lesotho	T	3	0	0	0	0	0
Malaysia	T	0	22	0	0	0	0
Morocco	T	0	0	0	0	0	46

*Imports up to September 2020.
Source: TDM

Prices

Table 9 shows the local, export and processed market prices of oranges. The export market provides the highest prices. As a result, the South African citrus industry is export-oriented because the domestic and processed markets offer lower prices.

Table 9: Oranges Prices

	Local Market	**Export Market**	**Processed**
	Average Price	**Average Price**	**Average Price**
MY	**Rand/ MT**	**Rand/ MT**	**Rand/ MT**
2003/04	1,090	2,425	274
2004/05	1,111	1,580	229
2005/06	1,025	1,843	301
2006/07	1,278	2,832	354
2007/08	1,430	3,443	419
2008/09	1,483	3,235	268
2009/10	1,599	4,043	349
2010/11	1,762	4,691	529

2011/12	1,895	4,318	564
2012/13	2,054	4,975	591
2013/14	2,230	5,781	618
2014/15	2,535	6,576	652
2015/16	3,799	8,570	1,002
2016/17	3,604	8,656	1,069
2017/18	3,361	8,600	693
2018/19	3,643	8,268	699

Source: CGA

Table 10: PSD for Oranges, Fresh

Oranges, Fresh	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	43578	43578	44500	44500	0	46000
Area Harvested (HECTARES)	39600	39600	40500	40500	0	41000
Bearing Trees (1000 TREES)	39000	39000	39500	39500	0	40000
Non-Bearing Trees (1000 TREES)	4200	4200	4300	4300	0	4400
Total No. Of Trees (1000 TREES)	43200	43200	43800	43800	0	44400
Production (1000 MT)	1590	1590	1600	1650	0	1700
Imports (1000 MT)	4	4	4	2	0	2
Total Supply (1000 MT)	1594	1594	1604	1652	0	1702
Exports (1000 MT)	1186	1186	1280	1292	0	1320
Fresh Dom. Consumption (1000 MT)	75	75	77	78	0	80
For Processing (1000 MT)	333	333	247	282	0	302
Total Distribution (1000 MT)	1594	1594	1604	1652	0	1702
(HECTARES) ,(1000 TREES) ,(1000 MT)						

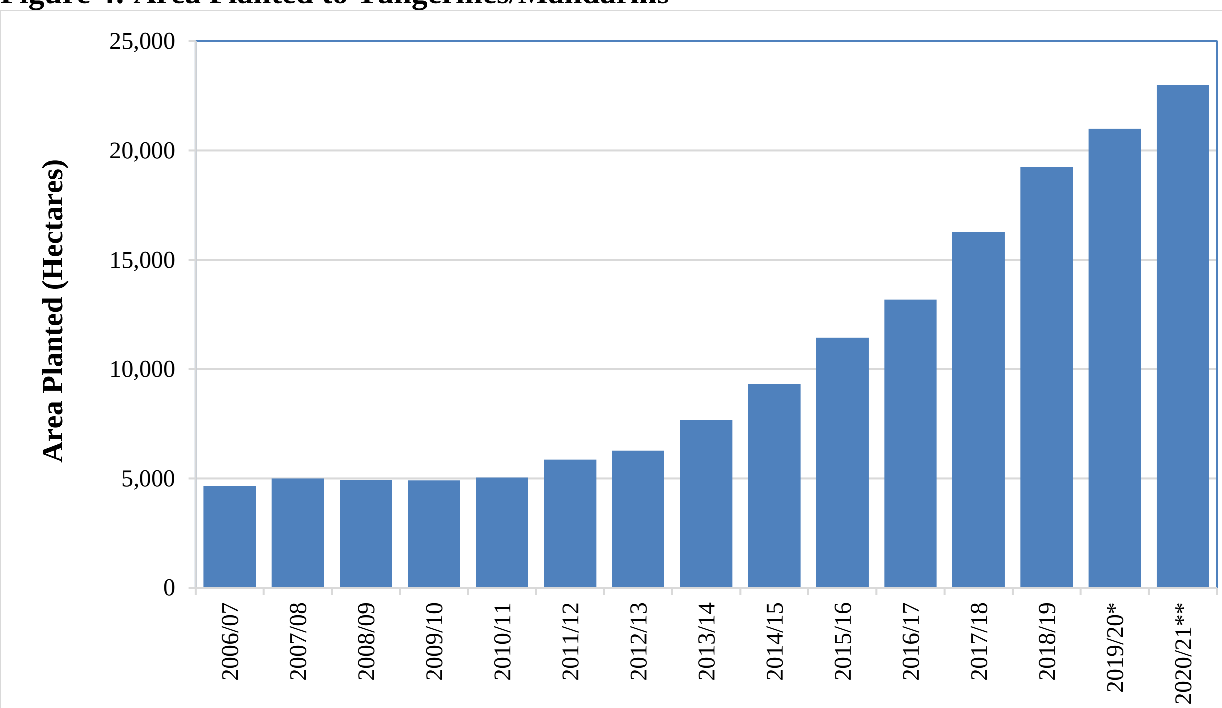
Tangerines/Mandarins (Soft Citrus), Fresh

Area Planted

The area planted to tangerines/mandarins (soft citrus) is forecast to increase by 10 percent to 23,000 hectares in the 2020/21 MY, from 21,000 hectares in the 2019/20 MY. This is due to growers responding to the increasing global demand for seedless tangerines/mandarins, and high margins from soft citrus relative to other citrus types. **Figure 4** shows that the area planted with tangerines/mandarins was flat from the 2006/07 MY to the 2010/11 MY. Thereafter, there has been significant annual increases in area planted, due to the increased investment in new orchards in response to global demand and high revenue.

The predominant variety planted in South Africa is the Nardocott accounting for 25 percent of the area planted, followed by the Nules variety at 12 percent, Nova (11 percent), Tango (10 percent), Orri (8 percent) and Leanri (7 percent).

Figure 4: Area Planted to Tangerines/Mandarins



*Estimate, **Forecast.
Source: CGA & Post Forecasts.

Production

The production of tangerines/mandarins is expected to continue its aggressive growth and is forecast to increase by 6 percent to 515,000 MT in the 2020/21 MY, from 486,000 MT in the 2019/20 MY. This is based on the rise in area planted, normal weather conditions, improved winter rainfall received in the main production area of the Western Cape, and the high level of new-plantings in the past years coming into full production. The COVID-19 pandemic has had a minimal impact on labor and input supply.

The 2019/20 MY production of tangerines/mandarins was revised upwards to 486,000 MT, based on final industry data.

There is a growing trend of farmers aggressively establishing new orchards under netting which has improved the water efficiency, yields and the overall quality of soft citrus production in South Africa. In addition, there is an increasing trend of late varieties being planted, which has seen the peak harvest of soft citrus shift from week 20 (Beginning of May) to between weeks 21 to 30 (Mid-May to July). About 39 percent of tangerines/mandarins are produced in the Western Cape, followed by 27 percent in the Eastern Cape and 21 percent in Limpopo. The Western Cape is a winter rainfall region, and the 2020 winter rainfall will only be used for irrigation in the following year in 2021. Improved dam levels in the Western Cape in 2019 had a positive impact to the 2019/20 MY crop.

Consumption

The consumption of tangerines/mandarins is forecast to increase by 11 percent to 30,000 MT in the 2020/21 MY, from 27,000 MT in the 2019/20 MY, due to the increase in production and a surge in demand driven by the associated health benefits of citrus in boosting immunity and to fight COVID-19. The industry prioritizes export markets for soft citrus and only supplies surplus fruit to the local market. However, some high end retail chains such as Woolworths also sell some export grade citrus to the domestic consumers.

Exports

The export of tangerines/mandarins is forecast to increase by 9 percent to 420,000 MT in the 2020/21 MY, from 385,000 MT in the 2019/20 MY, based on the increase in production and the industry strategy of prioritizing export markets over domestic markets, and a surge in demand due to the assumed benefits of Vitamin C in boosting immunity against COVID-19.

Demand for tangerines/mandarins remains strong in the export markets, with the United Kingdom as the leading export market accounting for 26 percent of the total exports, followed by the Netherlands (21 percent), Russia (8 percent) and the United States (6 percent). Tangerines/mandarins exports are not impacted by South Africa's CBS challenges in the EU market.

Exports to the United States under the AGOA have grown by an average of 15 percent per year over the past four seasons, from 7,444 MT in the 2013/14 MY, to 18,690 MT in the 2018/19 MY. This growth trend is expected to continue based on the rising U.S. market preference for easy peelers, and continued duty free market access under AGOA.

Table 11: South African Fresh Tangerines/Mandarins Exports

South Africa Exports to _World							
Commodity: 080520/080521/080522/080529, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried/Mandarins (including tangerines and satsumas)/Clementines/Other citrus hybrids							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	156,589	189,730	209,754	260,850	295,607	380,768
United Kingdom	T	61,307	66,152	63,213	69,344	75,941	86,263
Netherlands	T	32,023	47,300	49,706	51,404	61,403	80,977
Russia	T	14,468	14,329	20,219	28,425	23,709	31,735
United States	T	8,637	10,287	11,180	13,695	18,690	32,187
Bangladesh	T	247	1,215	2,128	6,170	15,760	22,925
United Arab Emirates	T	7,127	6,733	8,037	10,457	13,022	23,137
Hong Kong	T	4,573	9,227	12,309	11,427	12,366	7,189
Canada	T	6,208	6,729	8,035	11,554	11,972	18,580
China	T	421	777	2,257	6,520	9,827	13,602
Saudi Arabia	T	1,910	2,333	2,170	5,412	6,950	6,574
Portugal	T	1,102	2,412	4,348	6,309	6,275	7,713
Ireland	T	3,742	5,637	5,044	6,889	4,853	5,244
Malaysia	T	1,416	1,385	1,601	3,314	3,762	2,897
Germany	T	2,057	1,514	1,460	3,307	3,683	4,183
Iraq	T	0	0	0	947	3,336	4,886
France	T	974	1,357	1,246	2,559	2,690	3,409
Senegal	T	710	694	711	832	2,540	3,937
Kuwait	T	569	550	707	1,803	2,293	1,715
Mauritius	T	1,129	1,220	1,495	1,556	1,989	1,803
Norway	T	351	209	416	788	1,359	2,713
Singapore	T	616	902	922	2,413	1,260	2,238
Qatar	T	307	346	718	969	1,054	1,993

* Exports up to September 2020.
Source: TDM

Imports

Post forecasts that the 2020/21 MY imports of tangerines/mandarins will remain flat at 3,000 MT. South African imports are only minimal in order to satisfy out of season demand.

Table 12: South African Fresh Tangerines/Mandarins Imports

South Africa Imports from _World							
Commodity: 080520/080521/080522/080529, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried/Mandarins (including tangerines and satsumas)/Clementines/Other citrus hybrids							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	1,151	1,268	1,472	1,246	1,833	2,146
Spain	T	530	562	1,010	712	1,524	1,215
Israel	T	284	308	201	346	181	105
Morocco	T	0	0	0	0	47	769
Other	T	300	328	144	73	42	24
Egypt	T	0	0	0	43	39	12
Germany	T	0	25	0	0	0	0
India	T	0	0	0	30	0	0
Canada	T	0	0	22	0	0	0
Eswatini	T	31	0	0	41	0	0
Thailand	T	5	1	0	0	0	0
Turkey	T	0	22	46	0	0	0
United Kingdom	T	0	21	49	0	0	22

*Imports up to September 2020
Source: TDM

Prices

Export markets provide the highest prices for South African soft citrus as shown in **Table 13**.

Table 13: Tangerines/Mandarins Prices

	Local Market	**Export Market**	**Processed**
	Average Price	**Average Price**	**Average Price**
MY	**Rand/ MT**	**Rand/ MT**	**Rand/ MT**
2003/04	1,705	3,638	251
2004/05	1,279	3,977	165
2005/06	2,133	4,423	188
2006/07	2,543	3,758	214
2007/08	3,038	4,965	367
2008/09	3,042	4,635	275
2009/10	3,805	5,618	214
2010/11	4,091	5,637	315
2011/12	3,760	7,133	419
2012/13	5,159	8,542	334
2013/14	5,442	10,004	465
2014/15	5,606	11,392	391
2015/16	6,785	14,242	532
2016/17	6,037	13,489	614

2017/18	6,617	13,498	709
2018/19	5,586	13,344	502

Source: CGA

Table 14: PSD for Tangerines/Mandarins, Fresh

Tangerines/Mandarins, Fresh	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	19255	19255	2100	21000	0	23000
Area Harvested (HECTARES)	13600	13600	14500	14500	0	16000
Bearing Trees (1000 TREES)	8000	8000	8500	8500	0	9000
Non-Bearing Trees (1000 TREES)	2800	2800	3100	3100	0	3500
Total No. Of Trees (1000 TREES)	10800	10800	11600	11600	0	12500
Production (1000 MT)	375	375	421	486	0	515
Imports (1000 MT)	2	2	3	3	0	3
Total Supply (1000 MT)	377	377	424	489	0	518
Exports (1000 MT)	296	296	344	385	0	420
Fresh Dom. Consumption (1000 MT)	22	22	24	27	0	30
For Processing (1000 MT)	59	59	56	77	0	68
Total Distribution (1000 MT)	377	377	424	489	0	518
(HECTARES) ,(1000 TREES) ,(1000 MT)						

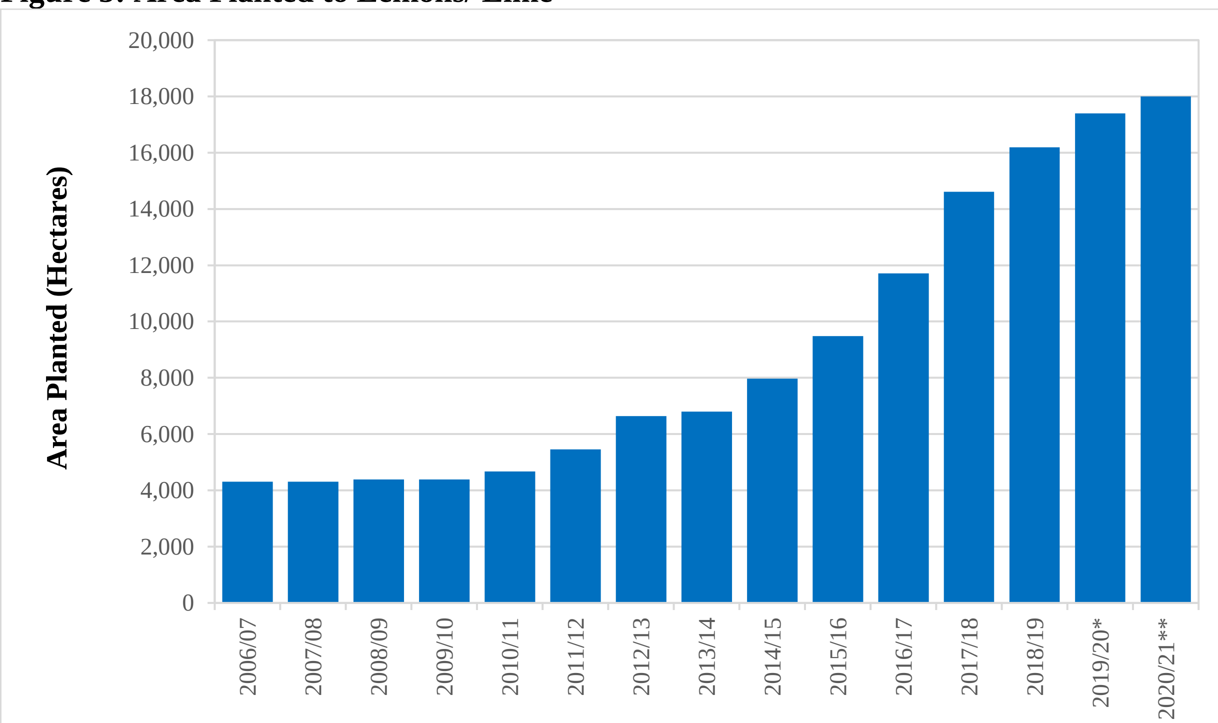
Lemons/Limes, Fresh

Area Planted

Figure 5 shows that the area planted with lemons/limes was initially flat from the 2006/07 MY to the 2009/10 MY. However, the area planted increased gradually from 4,667 hectares in the 2010/11 MY, to 18,000 hectares in the 2020/21 MY, in response to the growth in demand and higher prices in the export market.

The Eastern Cape Province is the leading growing region for lemons and limes in South Africa accounting for 42 percent of the total area planted, followed by Limpopo (31 percent), Western Cape (14 percent), Mpumalanga (6 percent), Kwa-Zulu Natal (4 percent), Northern Cape (2 percent) and North West (1 percent). The most popular variety of lemons planted in South Africa is the Eureka accounting for 76 percent of the area planted, followed by Lisbon (8 percent), 2Ph Seedless (5 percent), Limoneira 8A (4 percent), and Genoa (3 percent).

Figure 5: Area Planted to Lemons/ Lime



*Estimate, **Forecast.
Source: CGA & Post Forecast.

Production

The production of lemons/limes is expected to continue its growth and is forecast to increase by 2 percent to 670,000 MT in the 2020/21 MY, from 657,000 MT in the 2019/20 MY. This is based on the rise in area planted, and the high level of new-plantings in the past five years coming into full production. The impact of COVID-19 on production is expected to be minimal.

Consumption

The domestic consumption of lemons and limes is forecast to increase by 4 percent to 27,000 MT in the 2020/21 MY, from 26,000 MT in the 2019/20 MY, based on the growth in production, and increasing demand driven by health conscious consumers.

Processing

Post forecasts that lemons and limes delivered for processing will decrease by 19 percent to 145,000 MT in the 2020/21 MY, from 178,000 MT in the 2019/20 MY, based on the increase in exports and domestic consumption of fresh lemons.

Processed lemons and limes are used as flavoring for savory dishes, and food ingredient for confectionary and dairy products. In the beverage industry lemons/limes are used to make lemonade, smoothies and liquors. In the cleaning industry, lemon juice is used as a degreaser and disinfectant, due to its high concentration of citric acid which can inhibit the proliferation of some molds and bacteria.

Exports

The exports of lemons and limes is forecast to increase by 10 percent to 500,000 MT in the 2020/21 MY, from 455,000 MT in the 2019/20 MY, based on the increase in production, and growth in demand from the Middle East and Asian markets. The 2019/20 MY exports of lemons and limes was revised upwards to 455,000 MT based on the pace of exports up to September 2020. The European Union still remains the main export market for South African lemons and limes, accounting for 36 percent of the total exports.

Table 15: South African Fresh Lemons/Limes Exports

South Africa Exports to the World							
Commodity: 080550, Lemons And Limes, Fresh Or Dried							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	246,293	237,131	299,323	315,197	350,245	445,207
Netherlands	T	23,734	34,204	33,986	43,059	45,046	91,933
United Arab Emirates	T	48,748	49,115	52,510	46,566	43,332	53,678
Saudi Arabia	T	25,813	28,951	31,925	30,864	41,762	36,780
Russia	T	31,441	18,019	30,549	27,750	26,957	36,749
United Kingdom	T	16,174	20,428	22,703	29,897	26,049	36,526
Hong Kong	T	20,474	15,396	26,040	20,119	22,262	14,421
Iraq	T	0	0	2,599	7,340	20,638	36,691
Italy	T	5,122	8,655	10,455	14,564	17,526	21,664
Canada	T	10,636	9,223	12,454	14,381	15,740	20,783
Portugal	T	1,571	3,308	5,881	10,216	15,184	15,498
Kuwait	T	12,465	14,540	18,915	9,940	11,962	11,188
Malaysia	T	7,005	6,857	8,381	8,599	11,305	7,883
Germany	T	7,310	2,977	2,105	4,059	6,891	6,590

Belgium	T	0	180	124	3,915	5,618	1,497
Qatar	T	3,218	1,768	3,449	4,097	5,254	6,082
Singapore	T	7,725	3,826	4,052	4,632	4,176	4,382
Oman	T	547	608	2,346	3,456	3,243	2,844
Bahrain	T	2,919	2,994	3,463	3,298	2,564	3,596
Greece	T	1,101	1,136	1,640	2,091	2,255	2,966
Spain	T	74	31	98	1,955	2,094	5,609
Ireland	T	562	449	1,056	2,404	1,760	1,770
France	T	690	771	2,183	3,111	1,559	1,770
Switzerland	T	66	105	51	1,586	1,464	826
Ukraine	T	2,943	989	1,434	1,567	1,334	3,089
Angola	T	1,116	943	926	1,510	1,292	421
Mauritius	T	724	905	1,041	1,121	1,106	1,122
Japan	T	375	552	1,236	920	1,050	1,449

*Exports up to September 2020.
Source: TDM

Imports

Post forecasts that the 2020/21 MY imports of lemons/limes will remain flat due to the available domestic production which sufficiently meets the local demand. Imports are minimal from Spain, Eswatini and Brazil.

Table 16: South African Fresh Lemons/Limes Imports

South Africa Imports from the World							
Commodity: 080550, Lemons And Limes, Fresh Or Dried							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	T	920	2,109	878	1,193	983	1,894
Eswatini	T	32	24	136	280	355	1,799
Spain	T	207	155	181	97	326	28
Brazil	T	138	151	102	142	168	66
Italy	T	0	0	0	0	108	0
Other	T	498	1,613	362	557	25	0
Serbia	T	0	0	1	0	0	0
Turkey	T	43	91	29	91	0	0
United Kingdom	T	0	0	34	25	0	0
Canada	T	0	23	0	0	0	0
France	T	1	0	1	0	0	0
Hong Kong	T	0	0	30	0	0	0
India	T	0	0	0	1	0	0
United Arab Emirates	T	0	51	0	0	0	0

*Imports up to September 2020
Source: TDM

Prices

Export markets provide the highest prices for South African lemons/limes as shown in **Table 17**.

Table 17: Lemons/Limes Prices

MY	Local Market Average Price Rand/ MT	Export Market Average Price Rand/ MT	Processed Average Price Rand/ MT
2005/06	1,692	1,476	258
2006/07	1,753	2,478	178
2007/08	2,460	3,238	396
2008/09	3,105	3,961	611
2009/10	3,346	2,120	542
2010/11	3,940	5,329	731
2011/12	3,489	5,426	982
2012/13	4,291	5,426	720
2013/14	5,668	6,994	596
2014/15	6,619	11,058	1,288
2015/16	7,453	12,340	1,378
2016/17	7,697	16,483	1,842
2017/18	7,445	13,289	1,657
2018/19	6,697	11,151	1,463

Source: CGA

Table 18: PSD Lemons/Limes, Fresh

Lemons/Limes, Fresh	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	16190	16190	17400	17400	0	18000
Area Harvested (HECTARES)	11200	11200	12100	12100	0	14000
Bearing Trees (1000 TREES)	6700	6700	7100	7100	0	7500
Non-Bearing Trees (1000 TREES)	2500	2500	2600	2600	0	2900
Total No. Of Trees (1000 TREES)	9200	9200	9700	9700	0	10400
Production (1000 MT)	492	492	579	657	0	670
Imports (1000 MT)	1	1	1	2	0	2
Total Supply (1000 MT)	493	493	580	659	0	672
Exports (1000 MT)	350	350	416	455	0	500
Fresh Dom. Consumption (1000 MT)	21	21	24	26	0	27
For Processing (1000 MT)	122	122	140	178	0	145
Total Distribution (1000 MT)	493	493	580	659	0	672
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Orange Juice

Production

The production of orange juice is forecast to increase by 6 percent to 52,000 MT in the 2020/21 MY, from 49,000 MT in the 2019/20 MY, based on the increase in the quantity of fresh oranges delivered for processing. The 2019/20 MY production of orange juice was revised upwards to 49,000 MT, based on updated volume of oranges delivered for processing.

Concentrated orange juice accounts for at least 90 percent of the total orange juice produced in South Africa. The South African citrus industry prioritizes the export of fresh citrus, and only processes the fruit that does not meet export standards.

Industry coordinated statistics for orange juice are largely unavailable in South Africa. The production, consumption and stock levels represent Post's estimates based on information derived from various sources, contacts and calculations of extractions from fresh oranges delivered for processing.

Consumption

The domestic consumption of orange juice is forecast to increase by 13 percent to 9,000 MT in the 2020/21 MY, from 8,000 MT in the 2019/20 MY, based on the increase in production and supply availability. The relatively high food price inflation has resulted in restricted growth in the domestic consumption of fresh fruit juices especially the one hundred percent fruit juice, and the shift in demand to orange juice concentrates.

Export

Post forecasts that the 2020/21 MY exports of orange juice will increase by 14 percent to 40,000 MT, from 35,000 MT in the 2019/20 MY, based on the increase in production. The 2019/20 MY exports of orange juice were revised downwards to 35,000 MT, based on the pace of exports up to September 2020.

Post adjusted all the orange juice export data to the equivalent of 65 Degrees Brix based on the respective conversion factors shown on the export tables below. The orange juice exports under HS200919 were converted using a factor of 1.02. The orange juice exports under HS200911 were converted using a factor of 1.00. The orange juice exports under HS200912 were converted using a factor of 0.18. Degrees Brix represents the strength of the juice based on the sugar content. Thus, 65 Degrees Brix means that the orange juice has at least 65 grams of sucrose per 100 grams of orange juice.

Producers in South Africa prefer to export fresh oranges rather than to sell to processors as export prices are at least eight times higher than prices achieved from processors. Netherlands, Botswana, Mozambique, Mauritius, Namibia, Eswatini, Zambia and Zimbabwe are the biggest markets for South African orange juice exports.

Table 19: South African Orange Juice Exports – HS200919, HS200911 and HS200912

South Africa Exports to the World							
Commodity: 200911/200912/200919, Orange Juice, Frozen, Whether Or Not Sweetened/Orange Juice, Not Frozen, Of A Brix Value Not Exceeding 20/Orange Juice, Other Than Frozen, Whether Or Not Sweetened							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020***
World	MT	45,202	34,724	27,764	39,249	29,563	21,541
Netherlands	MT	11,899	5,897	3,036	12,077	10,340	9,952
Botswana	MT	7,444	7,825	6,888	7,434	5,562	1,044
Eswatini	MT	3,238	3,461	3,013	3,300	3,183	2,096
Namibia	MT	3,239	4,969	4,593	4,770	2,899	1,046
Lesotho	MT	2,877	2,031	1,350	1,369	959	158
Italy	MT	566	605	194	375	867	991
India	MT	545	138	133	346	790	596
United States	MT	40	21	60	193	700	244
Israel	MT	703	378	19	511	615	61
Spain	MT	2,061	1,747	187	274	567	2,465
Zambia	MT	1,386	1,052	1,270	623	562	234
Zimbabwe	MT	3,593	1,989	2,539	2,044	520	419
Mozambique	MT	3,334	1,454	948	780	327	254
Ethiopia	MT	1,097	799	674	456	264	55
Mauritius	MT	959	318	185	391	243	72
Gabon	MT	6	0	11	0	153	41
Congo (DROC)	MT	77	180	139	152	123	89
Turkey	MT	0	0	0	0	95	0
Fiji	MT	0	0	0	17	86	15
Taiwan	MT	0	16	56	78	62	94
Madagascar	MT	45	105	108	139	61	30
Greece	MT	0	0	0	0	57	552
Philippines	MT	55	37	178	270	52	53

*Exports up to September 2020.
Source: TDM

Imports

The imports of orange juice are forecast to remain flat at 2,000 MT in the 2020/21 MY. Zimbabwe, Brazil and Spain are the main suppliers of orange juice to South Africa. The source of origin of United Arab Emirates imports is Brazil. Post also adjusted the orange juice import data to the equivalent of 65 Degrees Brix based on the respective conversion factors.

Table 20: South African Orange Juice Imports – HS200919, HS200911 and HS200912

South Africa Imports from the World							
Commodity: 200911/200912/200919, Orange Juice, Frozen, Whether Or Not Sweetened/Orange Juice, Not Frozen, Of A Brix Value Not Exceeding 20/Orange Juice, Other Than Frozen, Whether Or Not Sweetened							
Calendar Year							
Partner	**Unit**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
World	MT	1,308	1,101	2,691	1,322	1,942	1,498
Zimbabwe	MT	705	698	771	845	1,652	1,415
Spain	MT	0	0	450	178	96	0
United Arab Emirates	MT	429	47	0	0	54	0
Botswana	MT	0	4	19	2	31	35
Vietnam	MT	1	0	0	20	29	0
Thailand	MT	7	0	0	0	18	3
Pakistan	MT	28	6	28	9	13	0
Malaysia	MT	1	0	5	10	11	5
Turkey	MT	0	0	0	8	9	6
Eswatini	MT	4	2	163	1	8	9
Bangladesh	MT	4	1	2	1	7	0
Nigeria	MT	10	0	2	0	5	0
Germany	MT	1	0	1	0	2	0
Poland	MT	0	0	0	0	2	0
Saudi Arabia	MT	5	6	0	0	2	0
Unidentified	MT	1	0	44	7	1	1
Brazil	MT	0	283	713	203	1	0
Greece	MT	0	0	0	0	1	0

*Imports up to September 2020.
Source: TDM

Table 21: PSD Orange Juice

Orange Juice	2018/2019		2019/2020		2020/2021	
Market Year Begins	Apr 2019		Apr 2020		Apr 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors (MT)	333000	333000	247000	282000	0	302000
Beginning Stocks (MT)	6302	6302	36349	36349	0	44349
Production (MT)	63168	63168	46701	49000	0	52000
Imports (MT)	1942	1942	2000	2000	0	2000
Total Supply (MT)	71412	71412	85050	87349	0	98349
Exports (MT)	29563	29563	50000	35000	0	40000
Domestic Consumption (MT)	5500	5500	6000	8000	0	9000
Ending Stocks (MT)	36349	36349	29050	44349	0	49349
Total Distribution (MT)	71412	71412	85050	87349	0	98349
(MT)						

Policies and Regulations:

U.S Authorizes Importation of Cold-Treated Citrus from South Africa into All U.S. Ports of Entry

On November 4, 2020, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) announced that it had authorized the importation of cold-treated fresh citrus fruit from South Africa into all U.S. ports of entry. APHIS determined that citrus fruit from South Africa, which is cold-treated in transit, can safely enter all U.S. ports of entry without increasing the risk of introducing the false coddling moth or other pests of concern. Previously, APHIS restricted the entry of cold-treated citrus fruit from South Africa to four U.S. ports that have cold treatment facilities: Newark, Philadelphia, Houston and New Orleans. While this action is not immediately expected to significantly increase the volume of citrus imports from South Africa, it will help in facilitating trade by broadening the reach of South African citrus to other regions within the U.S. market, provide flexibility to U.S. retailers and wholesalers, and lower transportation costs of imported citrus.

United States Cold Sterilization Protocol

South Africa exports citrus to the United States under the cold treatment schedule to address False Codling Moth (FCM). The United States Animal Plant Health Inspection Service (APHIS) has reduced the cold treatment schedule from 24 to 22 days, which has been hugely beneficial to South Africa in terms of reducing shipping costs and in reducing fruit loss from cold damage.

South African Citrus Exports from Citrus Black Spot (CBS) Areas to the United States

Currently, South Africa can only export citrus to the United States from official CBS free areas. The CBS free areas are found in the Western Cape and Northern Cape, as well as relevant districts of the Free State and North West provinces. In 2014, APHIS issued a notice proposing to amend the fruits and vegetables regulations to allow the import of several varieties of fresh citrus fruit, as well as Citrus hybrids, into the United States from areas in South Africa where citrus black spot has been known to occur. The regulation would authorize imports on the condition of satisfying certain systems and SPS treatment procedures. This proposal can be found on the following link; http://www.regulations.gov/#!documentDetail;D=APHIS-2014-0015-0001. The comment period closed and the regulation is still in the process of being finalized.

Citrus Black Spot Challenges in the European Union Market

South Africa still faces challenges in the EU market as a result of the stringent CBS requirements, and normally voluntarily suspends citrus exports to the EU every season to avoid any further interceptions of fruit with CBS. For example, in October 2017, South Africa voluntarily suspended citrus exports to the EU, as a precaution and risk mitigation measure to prevent a ban on citrus exports to the EU. Complying with the EU requirements for CBS costs the industry a lot of money, constrains the already limited government capacity and the scientific basis for these measures have been questioned. In addition, Argentina and Uruguay are reported to have higher CBS interceptions than South Africa. Thus, South Africa considers these EU measures an unnecessary technical trade barrier, and the Ministry of Agriculture has publicly indicated that the internal process of lodging a WTO dispute has been initiated. Industry estimates that the cost of complying with the EU CBS requirements is around R1.8 Billion (US$118 Million) and may not be sustainable in the long run.

South Africa Fresh Produce Importers Association

The Fresh Produce Importers Association assists members with the importation of fresh fruit and vegetables in South Africa. Information on their members, contact details and services they provide can be obtained from the following website link, http://www.fpia.co.za/contact-us/ .

Custom Duties

United States citrus exports face a 4 percent customs duty in South Africa. **Table 22** reflects the applicable custom duties when exporting citrus to South Africa

Table 22: Custom Duties Applicable to Exports to South Africa

HS Code	Article description	Unit	Rate of Duty				
			General	EU	EFTA	SADC	MERCOSUR
08.05	**Citrus fruit, fresh or dried:**						
0805.10	**Oranges**						
0805.10.10	Fresh	kg	4%	free	4%	free	4%
0805.10.90	Other	kg	4%	free	4%	free	4%
0805.2	**Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids:**						
0805.21	**Mandarins (including tangerines and satsumas)**						
0805.21.10	Fresh	kg	4%	free	4%	free	4%
0805.21.90	Other	kg	4%	free	4%	free	4%
0805.22	**Clementines:**						
0805.22.10	Fresh	kg	4%	free	4%	free	4%
0805.22.90	Other	kg	4%	free	4%	free	4%
0805.29	**Other:**						
0805.29.10	Fresh	kg	4%	free	4%	free	4%
0805.29.90	Other	kg	4%	free	4%	free	4%
0805.40	**Grapefruit, including pomelos:**						
0805.40.10	Fresh	kg	4%	free	4%	free	4%
0805.40.90	Other	kg	4%	free	4%	free	4%
0805.50	**Lemons (CitrusLimon, Citrus Limonium) and limes (Citrus aurantifolia, Citrus latifolia):**						
0805.50.10	Fresh	kg	4%	free	4%	free	4%
0805.50.90	Other	kg	4%	free	4%	free	4%
0805.90	**Other:**						
0805.90.10	Fresh	kg	4%	free	4%	free	4%
0805.90.90	Other	kg	4%	free	4%	free	4%
2009.1	**Orange juice**						
2009.11	Frozen	kg	25%	free	25%	free	25%
2009.12	Not frozen, of Brix value not exceeding 20	kg	25%	free	25%	free	25%
2009.19	Other	kg	25%	free	25%	free	25%

Source: South African Revenue Services (SARS)

South African Import Regulations

The following links provide useful resources and regulations pertaining to importing fruit into South Africa:

Export Procedures to South Africa
http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/importProcedure.pdf.

Maximum Residue Limits
http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/South%20African%20Citrus%20MRLs%20 2013.pdf

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%20%20of%201990.pdf

Agricultural Pests Amendment Act, 9 of 1992
http://www.nda.agric.za/doaDev/sideMenu/APIS/doc/Agricultural%20Pests%20Act.pdf

South African Special Export Protocols/ Programs/ Directives
https://www.nda.agric.za/doaDev/sideMenu/plantHealth/exportsProg.htm

Attachments:

No Attachments