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South Africa, Republic of

Dried Fruit

Semi-Annual

2001

Approved by:

Richard Helm

U.S. Embassy

Prepared by:

Patricia Mabiletsa

Report Highlights:

South Africa's 2001 raisin production is expected to fall to about 34,000 MT, a 11% drop from last year mainly due to Downy Mildew and abnormally warm winter spells. About 21,000 MT are expected to be exported this year, virtually unchanged from a year earlier. SA's domestic demand for dried fruit is increasing because the product supplement demand for fresh fruit, especially during 'off season' periods.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

In 1998, the South African Dried fruit industry (SAD) was formed to replace the Dried Fruit Co-operative which had been the official distribution and marketing entity for the government controlled dried fruit board. There are about 1,200 raisin producers in the Orange River Valley and about 350 tree fruit producers in the Boland and the Little Karoo. Dried fruit is delivered to SAD factories where it is processed and packaged on a large scale.

Demand for dried fruit is increasing in both the domestic and international markets especially in 'off-season' periods for fresh fruit. Increasing consumer health consciousness has also been a contributing factor to the expansion in demand for dried fruit. According to the National Department of Agriculture, about 41,000 tons of dried fruit, of which 38,142 tons were raisins, was produced in 2000. Production for the 2001 season is expected to fall to about 34,000 tons mainly due to Downy Mildew and abnormally warm winter. Exports are expected to increase insignificantly by 0.3% while the domestic consumption is expected to remain constant.

In SA, most of the fruit sent for drying is lower grade which would otherwise have been discarded. Currently there is an improvement in technology with the utilization of speed dryers(dehydrators) which are capable of processing 300 - 400 kg of wet fruit. Farmers using the technology claim that the speed-dried products are superior to the sun-dried varieties and also, do not depend on sunny weather.

Production

PSD Table						
Country	South Africa, Republic of					
Commodity	Raisins				(HA)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	12346	12346	12400	12400	12800	12800
Area Harvested	12346	12346	12400	12400	12800	12800
Beginning Stocks	5744	0	5288	1544	5830	5761
Production	40358	40358	38142	38142	37000	34000
Imports	0	0	0	1	0	1
TOTAL SUPPLY	46102	40358	43430	39687	42830	39762
Exports	28214	28214	27000	20926	27000	21000
Domestic Consumption	12600	10600	10600	13000	10600	13000
Ending Stocks	5288	1544	5830	5761	5230	5762
TOTAL DISTRIBUTION	46102	40358	43430	39687	42830	39762

Estimated total production for 2001 is at 34,000t mainly due to Downy Mildew and abnormally warm winter.

The table below indicates the five year total raisin production trends:

Fruit type	1996	1997	1998	1999	2000
Raisin types	Tons	Tons	Tons	Tons	Tons
Sultana	3,593	9,300	3,700	5,097	4,709
Golden Sultana	5,154	6,945	6,912	8,539	4,028
Thompson pitless raisins	19,586	23,950	10,451	26,722	27,622
Korente	1,473	1,730	1,181	1,702	1,463
Hanepoort raisins	271	59	91	534	320
Total	30,077	41,984	22,335	42,594	38,142

Consumption

Domestic consumption for 2001 is expected to increase by about 18% from 1999 because of the sudden demand for the dried fruit, especially during an 'off' season period. The increase is expected to be carried over to the coming seasons as influenced by the consumers' health concern.

Trade

Preliminary figures released by the Department of Agriculture earlier this year showed that South Africa exported about R350 million worth of dried fruit in 2000, of which about 85% were raisins and sultanas.

Exports

Export Trade Matrix			
Country	South Africa, Republic of		
Commodity	Raisins		
Time period	Jan-Dec	Units:	Tonnes
Exports for:	2000		2001
U.S.	1,109	U.S.	
Others		Others	
Brazil	4,976		
Germany	3,700		
France	2,785		
Netherlands	2,668		
United Kingdom	1,966		
Japan	1,584		
Philippines	406		
HongKong	233		
Austria	170		
New Zealand	168		
Total for Others	18656		0
Others not Listed	1161		
Grand Total	20926		0

Imports

Import Trade Matrix			
Country	South Africa, Republic of		
Commodity	Raisins		
Time period	Jan-Dec	Units:	Tons
Imports for:	2000		2001
U.S.	54	U.S.	
Others		Others	
Korea	152		
Turkey	60		
Iran	42		
Total for Others	254		0
Others not Listed	640		
Grand Total	948		0

Stocks

About 5,762 tons of raisins are expected to be kept as stock in 2001, which is an insignificant increase from last year.

Policy

The South African fruit industry expects to reap benefits under the Africa Growth and Opportunity Act (AGOA). South Africa's AGOA legislation was implemented in mid-November 2000, following its ratification by parliament.

Marketing

The Agricultural Product Marketing Act of 1997 liberalized the South African raisin market. Thus, both

domestic and international sales of raisins operate under a free marketing system.

In 2001, raisin exports are expected to decrease as a result of lower world prices for dried fruit as well the sudden increase in domestic demand for dried fruit to supplement fresh fruit.