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Report Name: Fresh Deciduous Fruit Semi-annual

Country: South Africa - Republic of

Post: Pretoria

Report Category: Fresh Deciduous Fruit

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Report Highlights:

The production of apples, pears and table grapes is estimated to increase in the 2020/21 Marketing Year (MY), based on increases in area planted, normal weather conditions, improvement in yields and available irrigation water following improved 2020 winter rainfall. COVID-19 is expected to have minimal impact to production and exports in the 2020/21 MY. South Africa is self-sufficient and only imports small quantities of deciduous fruits to fulfill niche markets or to satisfy demand during the off-season when supply is limited. Due to phytosanitary restrictions, the United States only has limited market access to export apples from areas that are free of Rhagoletis pomonella (apple maggot). Negotiations are on-going to expand this market access to include areas regulated for apple maggot in the United States.

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

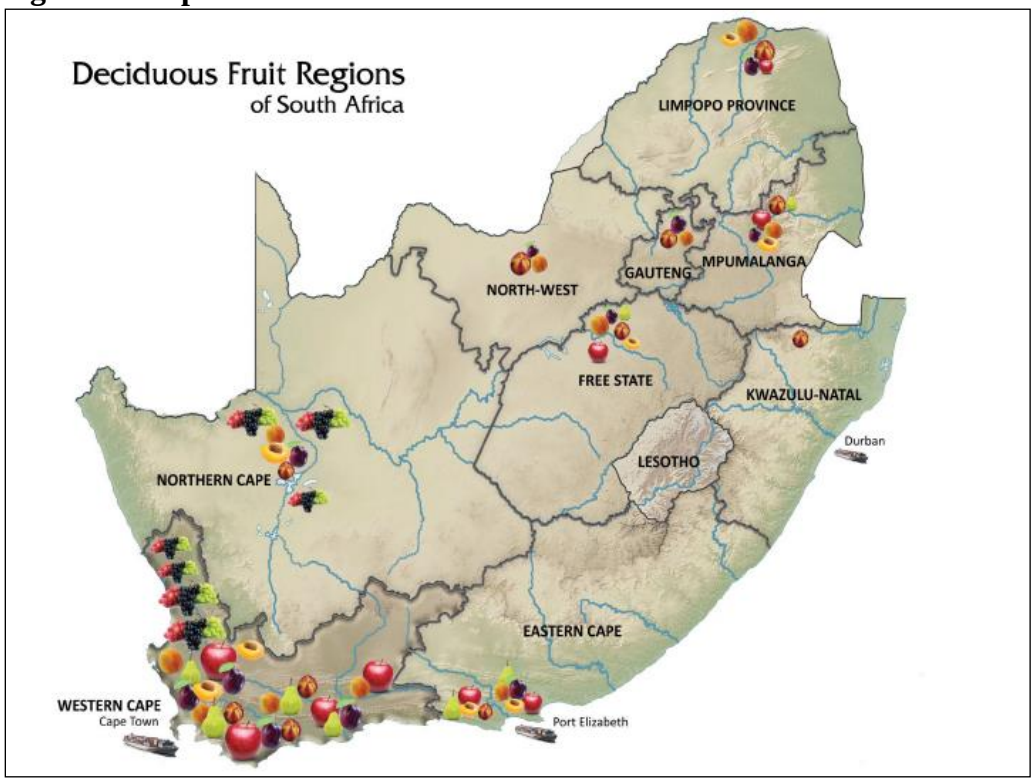
Apples and Pears Marketing Year (MY) – January to December.
Table Grapes MY – October to September.
MT – Metric Tons

Sources
Hortgro - http://www.hortgro.co.za
South African Table Grapes Industry (SATGI) - http://www.satgi.co.za/
South African Revenue Services (SARS) - https://www.sars.gov.za/
Department of Agriculture, Land Reform & Rural Development - https://www.dalrrd.gov.za/

Background

The Western Cape Province is the largest growing region of deciduous fruits in South Africa, accounting for 72 percent of the total growing area and production. The other growing regions include the Northern Cape (17 percent), Eastern Cape (8 percent), and very low production (less than 3 percent) in the North-West, Free State, Mpumalanga, and Limpopo Provinces. **Figure 1** shows the deciduous fruit production areas in South Africa.

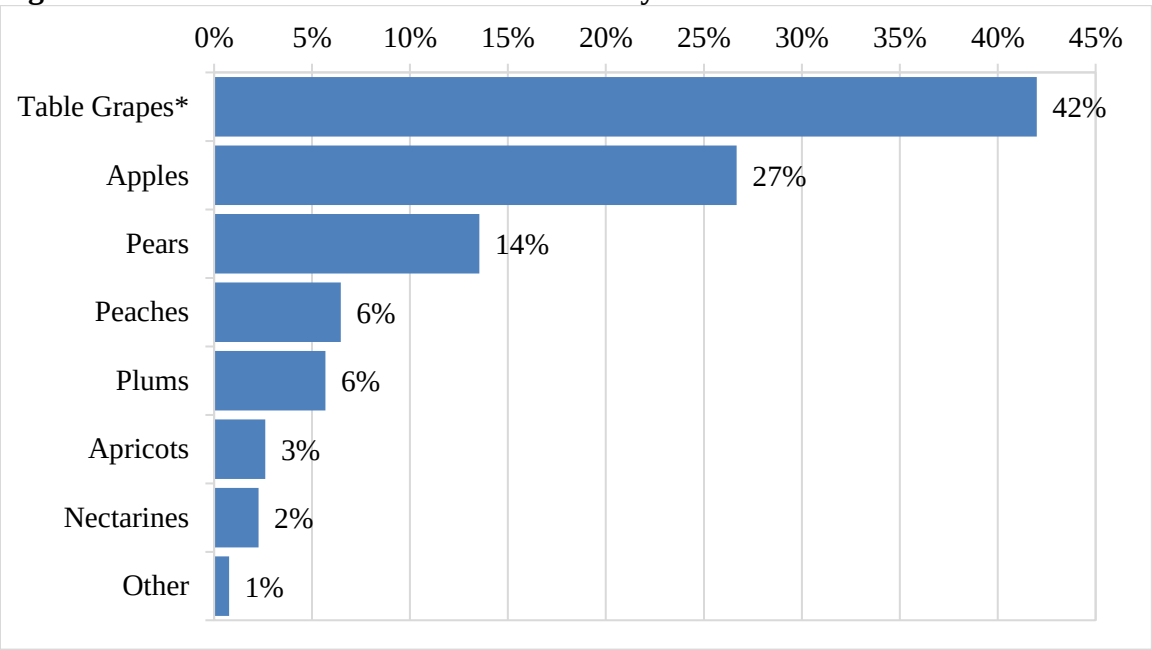
Figure 1: Map of the Deciduous Fruit Production Areas in South Africa



Source: HORTGRO

Deciduous fruit is the largest sub-sector of the South African fruit industry in terms of area planted, which rose marginally to 93,594 hectares in the 2019/20 MY, from 93,350 hectares in the 2018/19 MY. Table grapes (fresh and dried) accounted for 42 percent of the total area planted to deciduous fruits in the 2018/19 MY, followed by apples (27 percent), pears (14 percent), peaches (6 percent), plums (6 percent), apricots (3 percent) and nectarines (2 percent). **Figure 2** shows the distribution of the deciduous fruit industry based on area planted.

Figure 2: Distribution of the Deciduous Fruit by Area Planted



*Fresh and Dried.
Source: HORTGRO

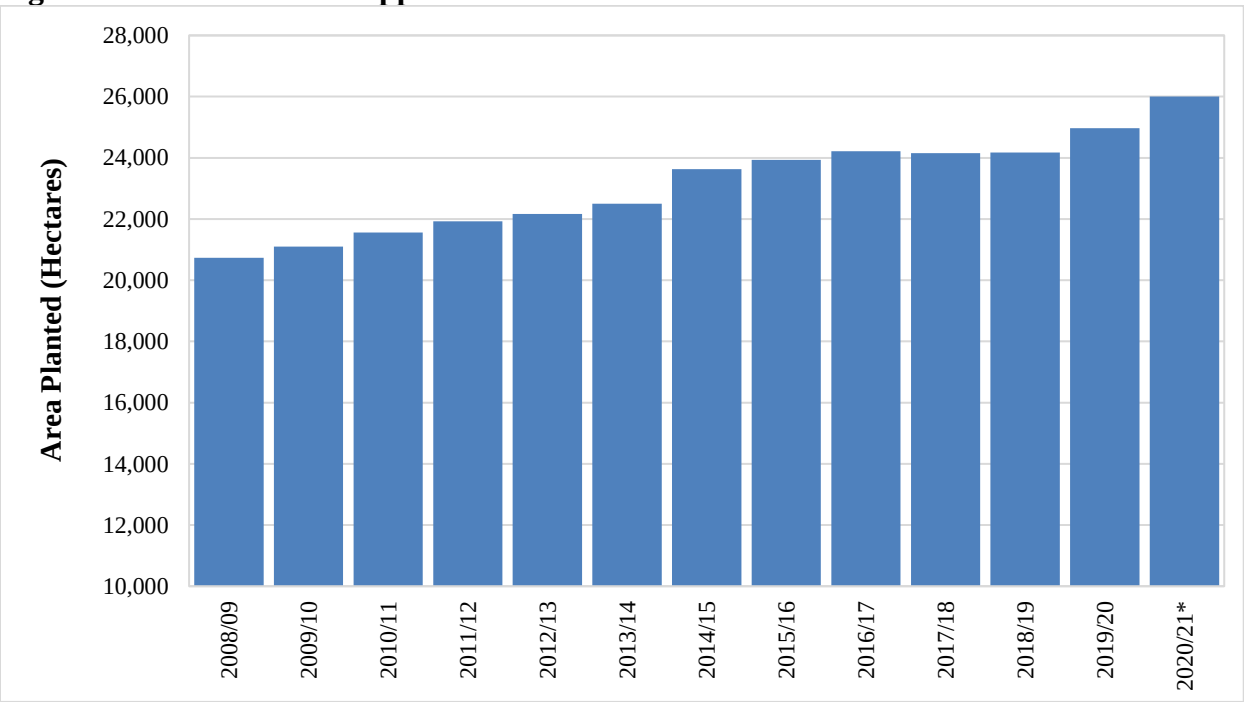
The South African Table Grapes Producers Association (SATGI) represents the interests of table grapes producers, mainly through Market Access and Development; Information and Knowledge Management; Transformation and Training, and Research and Technical Transfer. Apple and pear producers are members of the South African Apple and Pear Producers Association (SAAPPA). Other organizations providing services to the deciduous fruit industry include HORTGRO (support with marketing, production, and transformation within the deciduous fruit industry); HORTGRO Science (provide research and technology support within the deciduous fruit industry); South African Plant Improvement Organization (SAPO) Trust (fruit plant material provider in South Africa); Plant South Africa (Management and provision of administrative services in support of plant improvement and plant certification in the interests of horticulture in South Africa); CULDEVCO (Manages cultivar development, manages more than 150 deciduous fruit varieties, and apple and stone fruit rootstock specifically developed for South African growing conditions); and DFDC (The representative body for black deciduous fruit growers aiming to increase the participation of the previously disadvantaged in the mainstream agricultural economy).

Apples, Fresh:

Area Planted

Post estimates that the area planted to apples in the 2020/21 MY will increase by 4 percent to 26,000 hectares, from 24,970 hectares in the 2019/20 MY, due to normal weather conditions, available irrigation water and new plantings in the Northern Province. Increases in area planted are both from new land under cultivation and the introduction of 'low chill' apples in the Northern Province. Low chill apples can be grown in areas that do not have the low temperatures required for apple production. The area planted to apples has steadily increased over the past decade as shown in **Figure 3**. This has been driven by investment into the deciduous fruit sector due to increased earnings from the export market and higher returns from apple farming relative to other crops. This is expected to continue in the next 5 years.

Figure 3: Area Planted to Apples in South Africa



*Estimate.
Source: HORTGRO and Post Estimates.

The Western Cape is the heartland of deciduous fruit production, with a cool climate like the Mediterranean, which is favorable for apple production. Ceres is the largest apple growing region accounting for 30 percent of the area planted, followed by Groenland (29 percent), Villiersdorp (17 percent), Langkloof East (13 percent) and Langkloof West (5 percent). 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. Notably, apples are available throughout the year in South Africa because they can be stored in temperature and air controlled cold-rooms for more than a year.

The Golden Delicious cultivar is the most planted cultivar accounting for 22 percent of the total area planted to apples in South Africa, followed by the Royal Gala cultivar at 17 percent and Granny Smith at 14 percent. Other cultivars which have been growing steadily are the Pink Lady (12 percent), Top Red (10 percent), Fuji (9 percent) and Cripps Red (6 percent).

Production

The production of apples is estimated to increase by 2 percent to 965,758 Metric Tons (MT) in the 2020/21 MY, from 942,203 MT in the 2019/20 MY. This is due to the increase in area planted and yields, normal weather conditions, adequate irrigation water following improved 2020 winter rainfall, and year-to-date harvests. This was partially offset by crop losses due to hail damage in the Langkloof growing region. The impact of COVID-19 to the 2020/21 MY production is expected to be minimal based on the track record of growers and pack houses in managing COVID-19 during the peak harvesting and production period.

Around 80 percent of the apple production in South Africa is from the Western Cape Province, which is a winter (May to July) rainfall region. The 2020 winter rainfall will be used for irrigation in the following year in 2021. After three years of lower output, apple production returned to normal production levels in the 2019/20 MY, based on normal winter rainfall received in 2019 and improved measures by farmers to mitigate drought conditions, e.g. adopting water saving techniques, such as netting or removing lower yielding and older orchards.

Consumption

Consumption figures include apples sold in the fresh market and apples delivered for processing. About 49 percent of the total apple consumption is fresh and the remaining 51 percent is processed as shown in **Table 1**. Domestic consumption of apples is estimated to increase by less than 1 percent to 435,908 MT in the 2020/21 MY, from 433,916 MT in the 2019/20 MY. This is based on the increase in production, demand for healthy food choices by consumers during the on-going COVID-19 pandemic and industry`s efforts to reduce the stock from the previous season. South Africa prioritizes the export market and diverts any surplus fruit or fruit that does not meet export standards to the local market. While apples may be stored for up to a year, not all fruit is earmarked for long term storage due to quality concerns and has to be marketed. Hence, in the 2020/21 MY, South Africa is expected to be under pressure to clear the 2019/20 MY stocks by diverting these to the local market or processed into juice. The 2020/21 MY domestic consumption is expected to be partially offset by depressed demand from some consumers who are under financial pressure due to the impact of COVID-19.

Table 1: Fresh and Processed Consumption of Apples

	2017/2018		2018/2019		2019/2020		2020/2021	
	MT	**% Share**	**MT**	**% Share**	**MT**	**% Share**	**MT**	**% Share**
Fresh	197,689	51%	205,597	51%	210,000	48%	215,000	49%
Processed	189,979	49%	198,608	49%	223,916	52%	220,908	51%
Total	**387,668**	**100%**	**404,205**	**100%**	**433,916**	**100%**	**435,908**	**100%**

Source: Hortgro & Post Estimates

Over the past years, growth in domestic consumption has largely been driven by the increasing preference for fresh fruit over processed fruit from a growing middle class, and easy accessibility to fruits in general as most retail chains are now widely available, including in remote rural areas. Apples are popular in South Africa and are widely consumed throughout the year. As a result, apples form part of the national food basket of goods monitored by the National Agricultural Marketing Council to track food price inflation. However, the per capita consumption of apples in South Africa is still relatively low at 4kg, compared to other countries such as the United States (7kg) and Europe (15kg).

Exports

The export of apples is estimated to increase by 4 percent to 530,000 MT in the 2020/21 MY, from 508,451 MT in the 2019/20 MY. This is mainly due to the increase in production, year-to-date pace of exports, minimal disruptions to shipping and ports, and growing demand for health reasons. The 2019/20 MY exports were revised upwards to 508,451 MT, based on final export data and higher than expected global demand. The 2019/20 MY apple exports were partially offset by the impact of COVID-19 on interruptions to the supply chain such as bottlenecks or closures at some ports, limited availability of containers, and constrained shipping capacity. Challenges experienced at the ports during COVID-19 have resulted in Port authorities prioritizing investments on new equipment and capacity to be implemented in the coming years.

The United Kingdom is the largest single country market for South African apple exports accounting for 16 percent of the total exports in 2020, followed by Russia (8 percent), Nigeria (8 percent), Bangladesh (7 percent), Malaysia (6 percent), Senegal (4 percent), United Arab Emirates (4 percent) and Netherlands (4 percent). This is expected to continue in the 2020/21 MY. However, Africa is the largest regional market accounting for 40 percent of the total South African apple exports in the 2020, followed by the European Union (EU) at 23 percent, and Asia at 22 percent. This is expected to continue in 2021. Exports to Africa are largely driven by strong demand and limited competition in these markets, and that apples can endure suboptimal handling conditions. Poor cold chain facilities and supply chain infrastructure remains a notable challenge in many African countries.

South Africa has a free trade agreement with the EU and separately with the United Kingdom. Exports to the United States are minimal at below 400 MT, due to the higher shipping costs, and the challenges of maintaining the right quality and shelf life of the apples. **Table 2** shows the breakdown of the major export countries for South African apples.

Table 2: South African Fresh Apple Exports

South Africa Exports to the World						
Commodity: 080810, Apples, Fresh						
Calendar Year: 2016-2020						
Partner Country	**Unit**	**2016**	**2017**	**2018**	**2019**	**2020**
World	T	510,897	553,048	448,668	489,981	508,451
United Kingdom	T	107,614	153,104	83,597	65,186	79,719
Russia	T	14,739	17,774	16,922	15,214	42,430
Nigeria	T	41,121	35,949	33,590	41,765	38,833
Bangladesh	T	25,082	35,068	23,825	40,293	37,617
Malaysia	T	51,311	48,422	37,646	41,093	31,064

Senegal	T	13,342	14,942	15,263	18,779	21,286
United Arab Emirates	T	23,207	18,633	12,790	14,893	19,934
Netherlands	T	16,773	14,873	20,991	14,614	18,375
Kenya	T	18,166	17,089	17,341	18,896	16,805
Botswana	T	13,003	12,406	11,683	12,934	14,005
Ghana	T	9,256	8,626	7,558	7,956	10,981
Zambia	T	14,113	11,329	10,613	32,413	10,765
Taiwan	T	13,495	12,344	5,982	5,736	10,642
Zimbabwe	T	13,946	10,869	10,323	9,696	10,017
Namibia	T	9,623	9,699	8,794	9,352	8,705
Cote d'Ivoire	T	5,364	6,158	5,931	7,399	7,859
Singapore	T	11,356	10,385	10,715	9,736	7,848
Vietnam	T	617	599	1,960	2,511	7,638
Cameroon	T	6,403	6,500	6,028	6,261	7,330
Germany	T	4,884	4,739	4,734	4,042	6,720
China	T	551	1,040	2,720	10,120	6,359
Togo	T	2,845	4,863	5,018	5,777	6,037
Mozambique	T	6,362	7,109	8,265	9,725	6,030

Source: Trade Data Monitor

Imports

South Africa is a net exporter of apples, and only imports between 200 to 600 MT of apples (as shown in **Table 3)** to fulfill niche markets or satisfy domestic demand during the off-season when supply is limited. Imports have declined steadily since 2017, due to the rise in production and high level of stocks in South Africa. The customs duties payable on imports is shown in **Table 4**. U.S. exports are subject to a 4 percent customs duty. The United States currently has market access for apples from areas free of Rhagoletis pomonella (apple maggot). See the following protocol, https://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Apples%20from%20USA,%20PNW%20to%20South%20Africa.pdf
A market expansion request to include apples from areas regulated for apple maggot is still being negotiated by the governments of the United States and South Africa. U.S. apples are desired for their big size, red color and may have market opportunities in South Africa during periods of low supply or when its offseason.

Table 3: South African Fresh Apple Imports

South Africa Imports from the World						
Commodity: 080810, Apples, Fresh						
Calendar Year: 2016-2020						
Partner Country	**Unit**	**2016**	**2017**	**2018**	**2019**	**2020**
World	T	332	551	463	340	164
Netherlands	T	0	0	0	206	121
Other	T	270	436	394	133	43
Russia	T	0	22	24	0	0
Singapore	T	0	25	0	0	0

Sri Lanka	T	19	0	0	0	0
Taiwan	T	0	23	0	0	0
United Kingdom	T	0	0	23	0	0
United Arab Emirates	T	23	23	0	0	0
Bahrain	T	20	0	0	0	0
Kenya	T	0	0	23	0	0
Malaysia	T	0	22	0	0	0
Unidentified	T	0	0	0	1	0

Source: Trade Data Monitor

Table 4: Tariff Rates, Fresh Apples

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

Source: South African Revenue Services (SARS)

Table 5: Production, Supply and Demand (PSD) of Fresh Apples

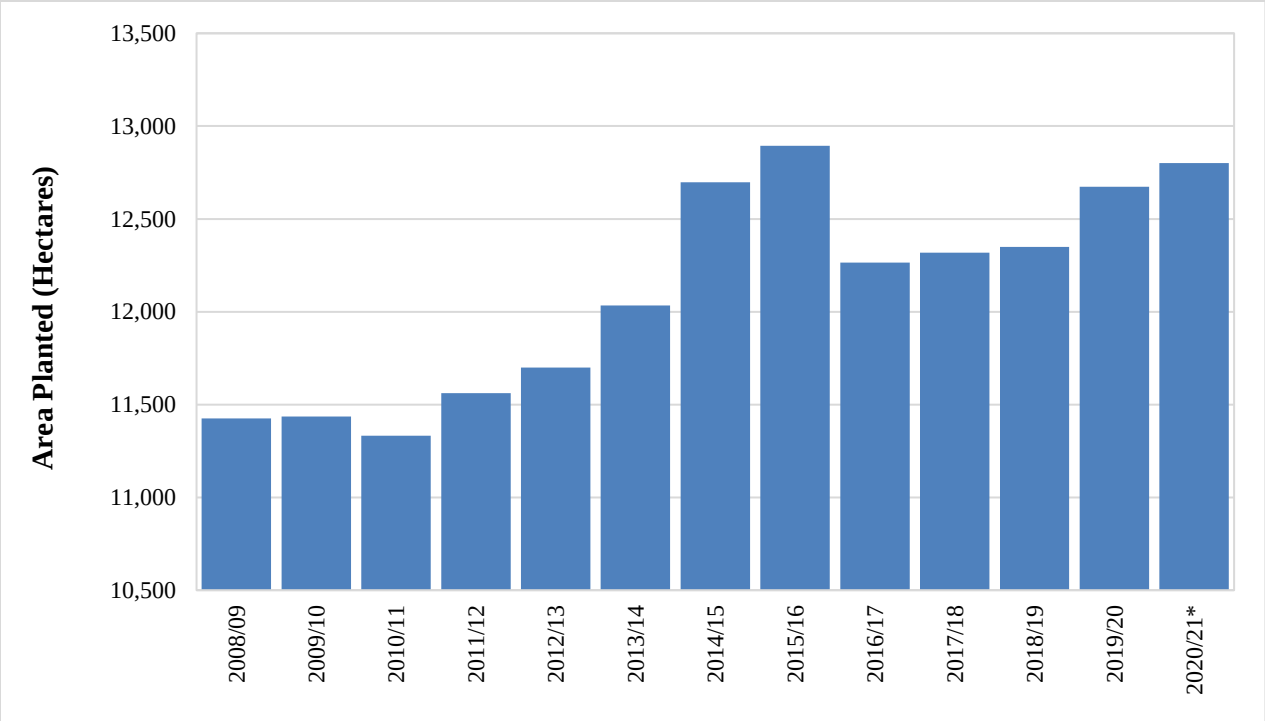
Apples, Fresh	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	24176	24176	24970	24970	26000	26000
Area Harvested (HA)	18858	18858	19500	19500	20000	20000
Bearing Trees (1000 TREES)	26000	26000	26500	26500	27000	27000
Non-Bearing Trees (1000 TREES)	3300	3300	3400	3400	3700	3700
Total Trees (1000 TREES)	29300	29300	29900	29900	30700	30700
Commercial Production (MT)	893846	893846	942203	942203	960000	965758
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	893846	893846	942203	942203	960000	965758
Imports (MT)	500	340	200	164	200	150
Total Supply (MT)	894346	894186	942403	942367	960200	965908
Domestic Consumption (MT)	422546	404213	442403	433916	450200	435908
Exports (MT)	471800	489973	500000	508451	510000	530000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	894346	894186	942403	942367	960200	965908
(HA) ,(1000 TREES) ,(MT)						

Pears, Fresh:

Area Planted

Figure 4 shows that the area planted with pears has increased since the 2010/11 MY. This was driven by increased earnings from the export market and higher returns, which continues to attract investment into the fruit sector. The drop in the 2016/17 MY was mainly due to the drought, and measures some farmers took in removing old orchards to better manage water. The area planted to pears is estimated to increase by 1 percent to 12,800 hectares in the 2019/20 MY, from 12,674 hectares in the 2019/20 MY, due to new plantings and industry's response to modest growth in demand. Pears compete with apples, hence the growth in area planted has been stable but lower than the more attractive apple farming. This also explains why the area planted to pears has not reached the peak levels of the 2015/16 MY.

Figure 4: Area Planted to Pears in South Africa



*Estimates.
Source: HORTGRO and Post Estimates.

The major growing area for pears is Ceres, which accounts for 37 percent of the total area planted in South Africa, followed by Groenland (13 percent), Langkloof East (13 percent), Wolseley/Tulbagh (11 percent), Villiersdorp (10 percent), and Klein Karoo (7 percent). Pears are normally harvested from late December to early January. Packham's Triumph contributes 34 percent to the total area planted and is the most popular pear variety, followed by Forelle (27 percent), William Bon Chretien (18 percent) and Abate Fetel (6 percent).

Production

The production of pears is estimated to marginally increase by 1 percent to 410,000 MT in the 2020/21 MY, from 407,455 MT in the 2019/20 MY. This is based on normal weather conditions, increase in area planted, improvement in yields, available irrigation water following improved 2020 winter rainfall, and improved water management techniques by farmers.

Pears grow well in areas that do not experience very high temperatures. Similar to apples, about 79 percent of the pear production is in the Western Cape, which is a winter (May to July) rainfall region. The 2020 winter rainfall is used for irrigation in the following year in 2021.

Consumption

Consumption figures include pears sold in the fresh market and pears delivered for processing. Domestic consumption of pears is estimated to decrease marginally by less than 1 percent to 180,100 MT in the 2020/21 MY, from 180,869 MT in the 2019/20 MY, based on the industry prioritizing export markets, and competition from apples. About 24 percent of the total pear consumption is fresh and the remaining 76 percent is processed as shown in **Table 6**. Pears and apples are close substitutes in the domestic market, although there seems to be a preference for apples. The surplus apples in the domestic market will impact pear sales in the 2020/21 MY. The per capita consumption of pears in South Africa at 1kg is still considerably lower than apples (4kg), and small compared to other countries such as those in Europe, whose pear per capita consumption is 4kg.

Table 6: Fresh and Processed Consumption of Pears

	2017/2018		2018/2019		2019/2020		2020/2021	
	MT	**% Share**	**MT**	**% Share**	**MT**	**% Share**	**MT**	**% Share**
Fresh	42,150	23%	43,414	23%	43,000	24%	43,500	24%
Processed	144,095	77%	145,252	77%	137,869	76%	136,600	76%
Total	**186,245**	**100%**	**188,666**	**100%**	**180,869**	**100%**	**180,100**	**100%**

Source: Hortgro & Post Estimates

Exports

The 2020/21 MY pear exports are estimated to marginally increase by 1 percent to 230,000 MT, from 226,686 MT in the 2019/20 MY, based on the increase in production and minimal disruptions to the supply chain. The 2019/20 MY pear exports were revised upwards to 226,686 MT, based on updated TDM data.

Europe is South Africa`s leading export market accounting for 31 percent of total pear exports, followed by Middle East (19 percent), Asia (18 percent), and Africa (8 percent). Exports to the United States are minimal and range between 281 to 1,200 MT.

Table 7: South African Fresh Pears Exports

South Africa Exports to the World						
Commodity: 080830, Pears, Fresh						
Calendar Year: 2016-2020						
Partner Country	**Unit**	**2016**	**2017**	**2018**	**2019**	**2020**
World	T	250,254	265,792	222,097	224,874	226,686
Russia	T	19,550	34,583	33,511	36,033	46,616
Netherlands	T	63,561	68,448	41,581	30,339	35,946
United Arab Emirates	T	25,170	23,674	22,316	20,897	24,648
India	T	7,681	9,217	14,569	14,939	14,281
United Kingdom	T	13,283	20,588	11,607	8,159	10,117
Indonesia	T	7,847	8,401	7,028	8,837	7,129
Italy	T	7,842	7,757	6,393	9,341	7,092
Saudi Arabia	T	8,585	7,959	7,763	7,541	6,693
Malaysia	T	9,149	7,360	6,287	7,854	6,229
Canada	T	8,194	7,332	5,870	6,392	5,186
Germany	T	12,887	9,891	4,482	4,743	4,431
Portugal	T	5,774	5,899	5,088	5,504	4,225
France	T	9,492	9,203	7,959	9,193	4,084
Vietnam	T	1,119	2,153	4,516	7,020	4,062
Singapore	T	4,384	4,318	3,975	3,359	3,945
Oman	T	2,058	3,403	3,535	3,307	3,683
Hong Kong	T	8,404	5,285	3,470	5,454	3,438
Nigeria	T	3,221	2,630	2,616	2,911	3,226
Botswana	T	2,074	1,926	1,871	2,093	2,513
Qatar	T	441	736	2,095	2,134	2,441
Bangladesh	T	311	716	1,672	3,626	2,316
Mauritius	T	2,157	2,384	2,346	2,389	2,030
Bahrain	T	1,298	1,399	795	1,317	2,007
Senegal	T	1,148	969	1,008	1,635	1,745
Kuwait	T	1,058	1,141	1,663	1,789	1,700
Namibia	T	1,131	1,267	1,299	1,437	1,208

Source: Trade Data Monitor

Imports

As the second largest pear producer in the Southern Hemisphere after Argentina, South Africa only imports minimal quantities of pears mainly from China. After agreeing on a protocol in 2007, China began exporting to the South African market. This protocol is available on the following link: https://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Pears%20from%20China%20to%20South%20Africa.pdf. The United States currently has no market access for pear exports to South Africa. In July 2010, the United States did request market access for pears. However, progress on this request stalled and the process has not been finalized. If South Africa grants access, U.S. exports of pears would be subject to a 4 percent customs duty as shown in **Table 9**.

Table 8: South African Fresh Pears Imports

South Africa Imports from the World						
Commodity: 080830, Pears, Fresh						
Calendar Year: 2016-2020						
Partner Country	**Unit**	**2016**	**2017**	**2018**	**2019**	**2020**
World	T	353	218	196	295	96
China	T	65	103	77	69	71
Other	T	264	95	119	96	25
Russia	T	24	0	0	50	0
India	T	0	0	0	24	0
Malaysia	T	0	20	0	0	0
Netherlands	T	0	0	0	32	0
Portugal	T	0	0	0	24	0

Source: Trade Data Monitor

Table 9: Tariff Rates, Fresh Pears

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

Source: SARS

Table 10: PSD of Fresh Pears

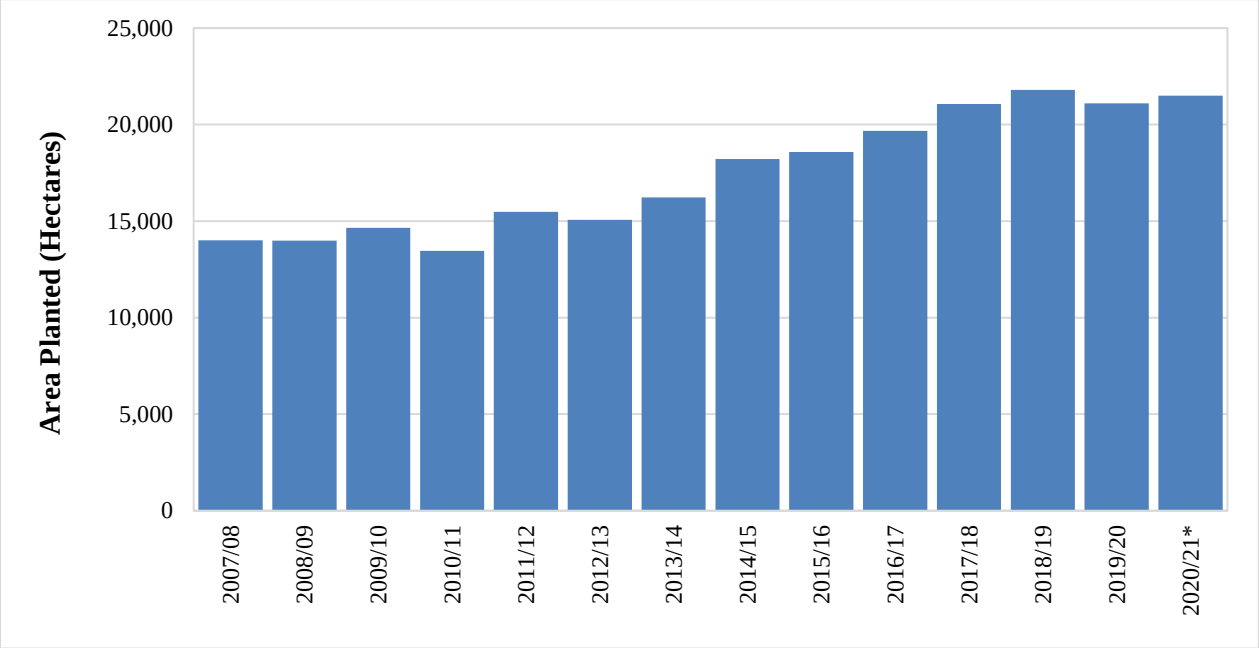
Pears, Fresh	**2018/2019**		**2019/2020**		**2020/2021**	
Market Year Begins	**Jan 2019**		**Jan 2020**		**Jan 2021**	
South Africa	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted (HA)	12350	12350	12674	12674	12800	12800
Area Harvested (HA)	11800	11800	11900	11900	12000	12000
Bearing Trees (1000 TREES)	15500	15500	15700	15700	16000	16000
Non-Bearing Trees (1000 TREES)	1000	1000	1100	1100	1300	1300
Total Trees (1000 TREES)	16500	16500	16800	16800	17300	17300
Commercial Production (MT)	413245	413245	407455	407455	410000	410000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	413245	413245	407455	407455	410000	410000
Imports (MT)	300	295	100	100	100	100
Total Supply (MT)	413545	413540	407555	407555	410100	410100
Domestic Consumption (MT)	187945	188666	190555	180869	190100	180100
Exports (MT)	225600	224874	217000	226686	220000	230000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	413545	413540	407555	407555	410100	410100
(HA) ,(1000 TREES) ,(MT)						

Table Grapes, Fresh:

Area Planted

The area planted to table grapes is estimated to increase by 2 percent to 21,500 hectares in the 2020/21 MY, from 21,100 hectares in the 2019/20 MY. This is based on new orchards and varieties coming into full production, new production areas in the Northern Province, and some wine grape areas under financial strain in the Western Cape being converted to table grapes. Water rights are a constraint to the area planted to table grapes in South Africa. **Figure 5** shows that the area planted to table grapes has been increasing steadily since the 2007/08 MY. This increase is correlated to the weakening of the rand, increased export revenues, and the decline in area planted to wine grapes.

Figure 5: Area Planted to Table Grapes in South Africa



*Estimate.
Source**:** SATGI

The Hex River in the Western Cape Province is the major growing area for table grapes, accounting for 31 percent of the total area planted in South Africa, followed by the Orange River (28 percent), Berg River (23 percent), Northern Provinces (12 percent) and Olifants River (6 percent), as shown in **Table 11**. The area planted to table grapes in the Northern Province has grown steadily, from 1,577 hectares in the 2015/16 MY, to 2,589 hectares in the 2018/19 MY, due to new varieties and plantings coming into full production. Table grapes are normally harvested from October to May. Harvest starts in week 43 (beginning of October) in the Northern Cape Region. The Hex River valley is the last region for table grapes harvesting.

Table 11: Table Grapes Area Planted per Region

Growing Regions	2016/17 MY		2017/18 MY		2018/19 MY		2019/20 MY	
	Area Planted (Ha)	Percentage (%)	Area Planted (Ha)	%	Area Planted (Ha)	%	Area Planted (Ha)	%
Hex River	6,453	33%	6,397	30%	6,619	30%	6,563	31%
Orange River	5,688	29%	6,147	29%	6,195	28%	5,857	28%
Berg River	4,459	23%	5,109	24%	5,210	24%	4,934	23%
Northern Provinces *	1,737	9%	2,096	10%	2,589	12%	2,522	12%
Olifants River	1,337	7%	1,318	6%	1,185	5%	1,224	6%
Total	**19,674**	**100%**	**21,067**	**100%**	**21,798**	**100%**	**21,100**	**100%**

*The Northern Province includes all the growers in the Limpopo Province.
Source: South African Table Grapes Industry

The leading varieties of table grapes based on area planted are Crimson Seedless at 19 percent, followed by the Prime (8 percent), Thomson Seedless (4 percent), Tawny Seedless (4 percent), Sugranineteen – Scarlotta Seedless (4 percent), Sweet Celebration (4 percent), Sugrathirtyfive (4 percent), Sweetglobe (4 percent), Sugrathirteen – Midnight Beauty (3 percent), Starlight (3 percent) and Flame Seedless (3 percent). The cultivar profile in South Africa has changed over the past decade. Seeded cultivars are declining as consumers prefer seedless grapes, and therefore the production of seedless table grapes varieties has increased. Only 3 percent of current vineyards are still seeded table grapes. The popularity of seedless cultivars stems from their characteristics such as large berry size (with elongated or oval berry shapes), favorable texture (crunchiness) and good eating qualities.

Production

The production of table grapes is estimated to increase by 3 percent to 333,000 MT in the 2019/20 MY, from 322,180 MT in the 2019/20 MY, based on the increase in area planted, normal weather conditions, availability of irrigation water following a normal winter rainfall season in 2020, and high yielding new varieties and plantings coming into full production. This was partially offset by rain damages in the Orange River region. The impact of COVID-19 on table grapes production has been minimal.

Consumption

Domestic consumption of table grapes is estimated to increase by 3 percent to 36,000 MT in the 2020/21 MY, from 34,986 MT in the 2019/20 MY. This marks a return to normal levels and is due to the increase in production. The supply of table grapes to the domestic market and consequently consumption in South Africa is connected to the export market. Table grapes that cannot be sold on the export market, including those that do not meet export quality standards, are sold to the domestic fresh produce market or supplied to juice processors.

Exports

The export of table grapes is estimated to increase by 2 percent to 305,000 MT in the 2020/21 MY, from 297,839 MT in the 2019/20 MY, based on the increase in production, the year-to-date pace of exports and minimum disruption of COVID-19 to supply chains such as container shortages.

Europe is the leading historical export market for South African table grapes, accounting for 70 percent of table grape exports. Netherlands is the largest single country export market accounting for 40 percent

of the total South African exports, followed by the United Kingdom (24 percent), Germany (5 percent) and Canada (4 percent). 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 to Asia (8 percent), the Middle East (5 percent) and Africa (4 percent) also have strong growth potential and are becoming a core focus for South Africa. Export volumes to the United States and Canada have grown significantly over the past years as well but are still at below 25,000 MT and accounted for 7 percent of the total exports in the 2020/21 MY.

In November 2016, China and South Africa revised the cold treatment protocol to address False Coddling Moth (FCM) for South African table grapes. The new protocol changed the climate control requirement from -0.6°C for 22 days to +0.8°C for a minimum of 20 days. Post contacts indicated that there are high possibilities that in the future, South Africa could submit a similar request for the United States to adjust its cold treatment protocols for South African table grapes. South Africa is also in the process of negotiating market access for South Korea and Philippine.

Table 12: South African Fresh Table Grapes Exports

Marketing Year (Oct. - Sept.)	Exports (MT)
2004/2005	210,823
2005/2006	230,896
2006/2007	227,265
2007/2008	224,123
2008/2009	217,875
2009/2010	234,579
2010/2011	202,500
2011/2012	245,797
2012/2013	234,463
2013/2014	226,401
2014/2015	263,452
2015/2016	254,969
2016/2017	304,284
2017/2018	279,394
2018/2019	275,777
2019/2020	297,839
2020/2021*	305,000

*Estimates.
Source: SATGI

Imports

South Africa is a net exporter of table grapes, and imports are mainly to fill the gap during the off-season or when volumes are low from around July to November. Spain, Namibia and Egypt are the primary suppliers as shown in **Table 13**. The customs duties applicable to different countries are shown in **Table 14**. The United States does not have market access for table grapes into South Africa. However, if access is granted to the United States, exports would be subject to a 4 percent customs duty.

Table 13: South African Fresh Table Grapes Imports

South Africa Imports from the World						
Commodity: 080610, Grapes, Fresh						
Calendar Year: 2016-2020						
Partner Country	**Unit**	**2016**	**2017**	**2018**	**2019**	**2020**
World	T	6,201	7,449	8,601	10,645	8,753
Egypt	T	1,759	2,645	2,740	3,899	3,363
Spain	T	2,850	3,044	3,539	3,573	3,077
Namibia	T	1,063	1,052	1,777	3,062	2,271
Portugal	T	0	0	0	0	41
Other	T	311	367	130	53	0
Russia	T	37	58	0	0	0
Saudi Arabia	T	20	20	0	0	0
Singapore	T	0	29	0	0	0
Turkey	T	20	20	0	0	0
Zambia	T	126	54	35	0	0
Norway	T	15	0	220	0	0
Unidentified	T	0	53	161	29	0
Germany	T	0	35	0	0	0
Hong Kong	T	0	19	0	0	0
Israel	T	0	18	0	0	0

Source: Trade Data Monitor

Table 14: Tariff Rates, Fresh Table Grapes

Heading / Subheading	**CD**	**Article Description**	**Statistical Unit**	**Rate of Duty**				
				General	**EU**	**EFTA**	**SADC**	**Mercosur**
0806.10	1	Grapes, fresh	kg	4%	Free	4%	Free	4%

Source: SARS

Table 15: PSD of Fresh Table Grapes

Grapes, Fresh Table	**2018/2019**		**2019/2020**		**2020/2021**	
Market Year Begins	**Oct 2018**		**Oct 2019**		**Oct 2020**	
South Africa	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted (HA)	21798	21798	21100	21100	21500	21500
Area Harvested (HA)	16500	16500	17100	17100	18000	18000
Commercial Production (MT)	298315	298315	322180	322180	330000	330000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	298315	298315	322180	322180	330000	330000
Imports (MT)	9000	8601	10300	10645	11000	8000
Total Supply (MT)	307315	306916	332480	332825	341000	341000
Fresh Dom. Consumption (MT)	31515	31139	34680	34986	36000	36000
Exports (MT)	275800	275777	297800	297839	305000	305000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	307315	306916	332480	332825	341000	341000
(HA) ,(MT)						

Prices

The apple and pear prices shown in **Table 16** are the average prices (Rand/MT) earned in the respective markets. The increase in apple and pear export prices from the 2004/05 MY to the 2015/16 MY is mainly due to the depreciation of the rand. In the 2016/17 MY and 2017/18 MY, the rand strengthened against the United States dollar which is expected to lower average export prices. The export market for pears and apples remains lucrative from a price perspective in comparison to the local and processed markets. Information on table grape prices is unavailable.

Table 16: Price of Apples and Pears

	APPLES			PEARS		
Season	Local Market (R*/Ton)	Export Market (R*/Ton)	Processed Market (R*/Ton)	Local Market (R*/Ton)	Export Market (R*/Ton)	Processed Market (R*/Ton)
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
2014/2015	5,024	10,689	1,142	5,164	9,977	1,561
2015/2016	5,556	10,815	1,431	5,605	11,157	1,861
2016/2017	5,554	9,651	1,336	5,677	10,029	1,593
2017/2018	5,868	11,419	1,522	5,673	11,373	1,553
2018/2019	6,455	9,503	2,006	6,335	11,600	1,938

*1US$ = R14.08 as at May 14, 2021.
Source: HORTGRO

Policies and Regulations:

Table 17 provides a list of the regulations applicable to apples, pears and table grapes in South Africa. Exporters should also be aware that an importer may request additional certifications over and above the minimum legislation and regulations indicated in this section.

Table 17: List of Key Legislations and Regulations

Policy or Regulation	Link
Agriculture Product Standards Act No 119 of 1990	https://www.nda.agric.za/docs/NPPOZA/APS%20Act.pdf
Agricultural Pests, Act, 36 of 1983	**Agricultural Pests Amendment Act, 9 of 1992** https://www.dalrrd.gov.za/doaDev/sideMenu/plantHealth/docs/The%20Agricultural%20Pests%20Act,%201983%20(Act%20No.36%20of%201983).pdf
Foodstuffs, cosmetics and disinfectants Act 54 of 1972	http://www.health.gov.za/index.php/shortcodes/2015-03-29-10-42-47/2015-04-30-09-10-23/2015-04-30-09-11-35/category/181-act

Procedures for exporting to South Africa	https://www.dalrrd.gov.za/Branches/Agricultural-Production-Health-Food-Safety/Plant-Health/Import-into-SA
Maximum Residue Limits	https://www.dalrrd.gov.za/Branches/Agricultural-Production-Health-Food-Safety/Food-Safety-Quality-Assurance/Maximum-Residue-Limits
Regulations relating to standards, grading, packing and marking	**Apples** https://www.dalrrd.gov.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Apples%20Regulations.pdf **Pears** https://www.dalrrd.gov.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Agricultural%20Product%20Standards%20Act.pdf **Table Grapes** https://www.dalrrd.gov.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Agricultural%20Product%20Standards%20Act%201.pdf
Import Protocols	**List of approved facilities to import Apples and Pears from China to South Africa** http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Updated%20list%20of%20registered%20orchards%20and%20packing%20houses%20to%20export%20apples%20and%20pears%20from%20China%20to%20South%20Africa.xlsx **Phytosanitary import requirements for importation of Apples from China to South Africa** http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Apples%20from%20China%20to%20South%20Africa.pdf **Phytosanitary import requirements for importation of Apples from Netherlands to South Africa** http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Apples%20from%20Netherlands%20to%20South%20Africa.pdf **Phytosanitary import requirements for importation of Pears from China to South Africa** http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Pears%20from%20China%20to%20South%20Africa.pdf **Phytosanitary import requirements for importation of Apples from USA, PNW to South Africa** http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Phytosanitary%20import%20requirements%20for%20importation%20of%20Apples%20from%20USA,%20PNW%20to%20South%20Africa.pdf

Source: South African Department of Agriculture, Land Reform and Rural Development (DALRRD)

Attachments:

No Attachments