

**Voluntary Report** – Voluntary - Public Distribution

**Date:** April 30,2020

**Report Number:** SF2020-0024

**Report Name:** South Africa Continues Corn Exports Amidst COVID-19  
Lockdown

**Country:** South Africa - Republic of

**Post:** Pretoria

**Report Category:** Grain and Feed

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**Report Highlights:**

South Africa's corn exports are continuing on the preexisting positive trend amidst a COVID-19 lockdown that started on March 27, 2020. The South Africa government labeled the food supply system as an essential sector that needs to remain compromised and functional. Corn, especially white corn, is an important food source for numerous people in Southern Africa. However, many countries in Southern Africa are currently struggling with poor corn production due to drought conditions and pests. South Africa is the largest producer of corn in sub-Saharan Africa and expects a bumper crop to be harvested in June 2020. Therefore, it is essential that South Africa keep its borders open for trade and continue supplying the Southern Africa region with corn amidst the impact of COVID-19.

## **Introduction**

The President of South Africa announced a 21-day national lockdown that started on Friday March 27, 2020, but later extended it to last until the end of April. From May 1, some restrictions will be lifted, but for most part South Africa will still be in a relative firm lockdown. However, the government of South Africa recognized the food supply system as an essential sector that needs to remain uncompromised and functional. Corn, especially white corn, is the staple food for numerous people in Southern Africa with an annual demand of around 35 million tons. However, many countries in Southern Africa are currently struggling with poor corn production due to drought conditions and pests. South Africa is the largest producer of corn in sub-Saharan Africa with a 5-year average of almost 13.5 million tons per annum. Therefore, it is important that South Africa continue supplying the Southern Africa region with corn amidst a COVID-19 lockdown.

## **South Africa's corn exports**

In the current marketing year (2018/19 MY), South Africa produced 11.8 million tons of corn. With a local commercial demand for corn estimated at 11.2 million tons and carry-over stocks from the previous season of 2.7 million tons, South Africa has about 1.5 million tons of corn available for exports. Nearing the end of the 2018/19 MY (May 1, 2019 – April 24, 2020), South Africa so far exported 1.4 million tons of corn (see also Table 1), including 1.0 million tons of white corn and 402,373 tons of yellow corn. Zimbabwe is South Africa's major market in the 2018/19 MY, after it experienced a below average corn crop due to drought conditions. In fact, Zimbabwe is in such a need of corn supplies that it lifted a ban on the importation of genetically engineered corn, which eases access for South African corn exporters. Other major markets for South African corn includes, Botswana, Namibia, Mozambique, and Eswatini (formerly Swaziland). Countries in Southern Africa represents more than 95 percent of South Africa's corn exports.

Figure 1 illustrate the progressively weekly exports of corn by South Africa in the 2018/19 MY. From Figure 1 it is clear that South Africa's corn exports are continuing on the same positive trend after the lockdown started on March 27, 2020. In the first week of lockdown South Africa exported 35,600 tons of corn and in the second week of lockdown almost 28,000 tons of corn. This trend continued through week 3 (27,298 tons) and week 4 (32,016 tons) of lockdown. Furthermore, traders indicated that they indent to continue corn exports during May month at an average of more than 25,000 tons per week.

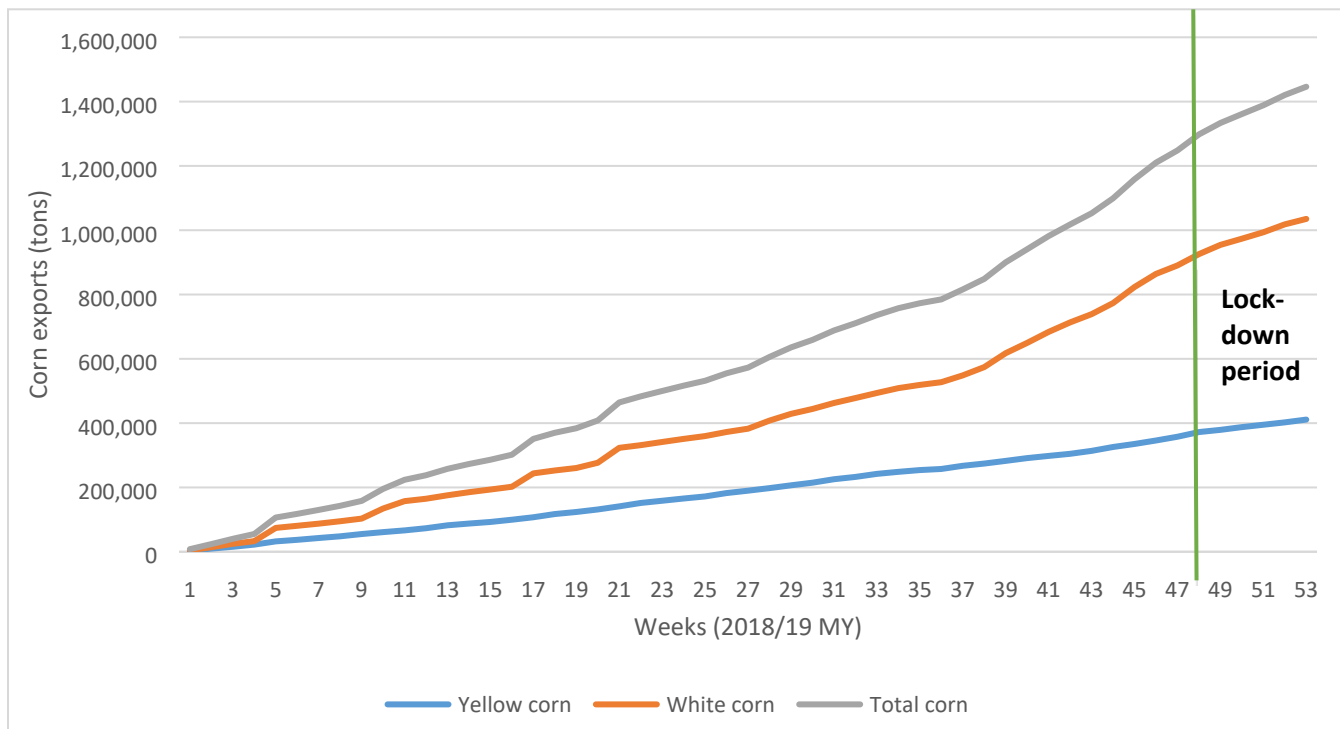
**Table 1: South Africa's exports of corn in the 2018/19 MY**

	2018/19 MY <sup>1</sup> May 1, 2019 – Apr 30, 2020 (1,000 tons)		
	White corn	Yellow corn	Total
<b>Export Destinations</b>			
Zimbabwe	259	71	330
Botswana	192	82	274
Namibia	175	66	241
Mozambique	159	50	209
Eswatini (Swaziland)	41	107	148
Ethiopia	74	0	74
Lesotho	52	13	65
Somalia	23	0	23
Tanzania	23	0	23
Uganda	20	0	20
North Korea	0	8	8
South Korea	0	6	6
<b>TOTAL EXPORTS</b>	<b>1,018</b>	<b>403</b>	<b>1,421</b>

**Source:** South African Grain Information Services (Sagis)

**Note:** 1. Preliminary export data from May 1, 2019 to April 24, 2020

**Figure 1: Progressively weekly exports of corn by South Africa in the 2018/19 MY**



## **Looking ahead**

For the 2019/20 MY (May 1, 2020 – April 30, 2021), Post estimates South Africa's commercial corn crop at 15.4 million tons, which is 37 percent higher than the previous season and at a national average yield of 5.9 tons per hectare. Post estimates the commercial white corn crop at 8.9 million tons, 60 percent higher than the previous season and the commercial yellow corn crop at 6.6 million tons, 14 percent higher than the previous season. Subsistence corn production is estimated at 540,000 tons. Thus, total corn production for South Africa in the 2019/20 MY is estimated at 16.0 million tons, 35 percent higher than the 2018/19 MY's crop of 11.8 million tons. Harvesting of the 2019/20 MY's bumper corn crop will commence in June 2020. As a result, South Africa should have enough corn to export about 2.2 million tons in the 2019/20 MY. Moreover, a commercial corn crop of more than 15.0 million tons would enable South Africa to export corn beyond its neighboring countries to other markets in sub-Saharan Africa in need, which were not that prominent in the current marketing year. Therefore, it is important that South Africa keep its borders open for trade and continue exporting corn amidst the impact of COVID-19.

## **Attachments:**

No Attachments.