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**Report Highlights:**

FAS/Pretoria's Sugar annual report provides information on the production, supply, and distribution of sugar in Eswatini for marketing year (MY) 2023/24, MY 2024/25, and MY 2025/26. Growth in Eswatini's sugar cane production, supported by sufficient water levels for irrigation, and timely cane deliveries is forecast to result in improved sugar production and exports in MY 2025/26. Eswatini is expected to continue exporting sugar to its traditional markets in MY 2025/26, mainly the South African Customs Union countries, the European Union, United Kingdom, and the United States.

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## Executive Summary

- Sugarcane and sugar production: FAS/Pretoria forecasts production to increase by three percent in marketing year (MY) 2025/26 on normal weather conditions and sufficient water for irrigation.
- Domestic consumption: Forecast to remain unchanged on persistent inflation.
- Exports: Forecast to rebound by 17 percent on increased production and sustained demand from traditional markets
- Imports: Forecast to remain unchanged, as Eswatini imports volumes just below 3,000 MT per marketing year.

## Report Notes

The marketing year (MY) for sugar cane is April-March, while the sugar marketing year is considered May-April. For the purposes of this report, refined cane sugar has been converted to raw value basis using a factor of 1.07.

# Sugar Cane

**Table 1: Production, Supply, and Distribution (PS&D) for Sugar Cane**

Sugar Cane for Centrifugal Market Year Begins Swaziland	2023/2024		2024/2025		2025/2026	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	63	63	64	61	0	61
Area Harvested (1000 HA)	60	59	60	60	0	60
Production (1000 MT)	5220	5153	5534	5356	0	5500
Total Supply (1000 MT)	5220	5153	5534	5356	0	5500
Utilization for Sugar (1000 MT)	5220	5153	5534	5356	0	5500
Utilization for Alcohol (1000 MT)	0	0	0	0	0	0
Total Utilization (1000 MT)	5220	5153	5534	5356	0	5500
(1000 HA) ,(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

## Area

Sugar cane in Eswatini is irrigated and FAS/Pretoria contacts report that electricity is the second highest production cost after transportation. Electricity tariffs have increased by eight percent as of April 1, 2025, and an additional eight percent increase will be implemented on April 1, 2026. Some growers have installed solar generated power sources, but power costs remain a limitation to area expansion. Growers are also diversifying to other crops such as macadamia nuts, banana, vegetables, beans, and maize. However, sugar cane remains the main production enterprise for most growers due to a well-established marketing channel of sugar through the Eswatini Sugar Association. Some growers in areas furthest from mills are reported to be gradually moving away from cane production due to high transportation costs. Therefore, FAS/Pretoria lowers MY 2024/25 area planted to 61,000 ha, and forecasts area as unchanged in MY 2025/26.

## Production

FAS/Pretoria forecasts that cane production will increase by three percent in MY 2025/26, on normal weather conditions and availability of water for irrigation. Cane production in Eswatini is irrigated and there has been sufficient rainfall from November 2024 through March 2025. FAS/Pretoria contacts confirmed there is adequate water in dams to support the MY 2025/26 crop. Contacts also report that there is no-carry over (unharvested) cane from MY 2024/25, and this will contribute to improved yields in MY 2025/26. Additional production growth is likely to be limited by delayed replanting of cane in some growing regions due a prolonged rainy season. Growers also observed increased periods of cloud cover with related reduced solar radiation, which leads to a drop in the sucrose content of cane. The Eswatini sugar industry remains concerned about the yellow leaf aphid pest, as it results in yield losses. There is currently no industry-wide strategy to deal with the yellow aphid.

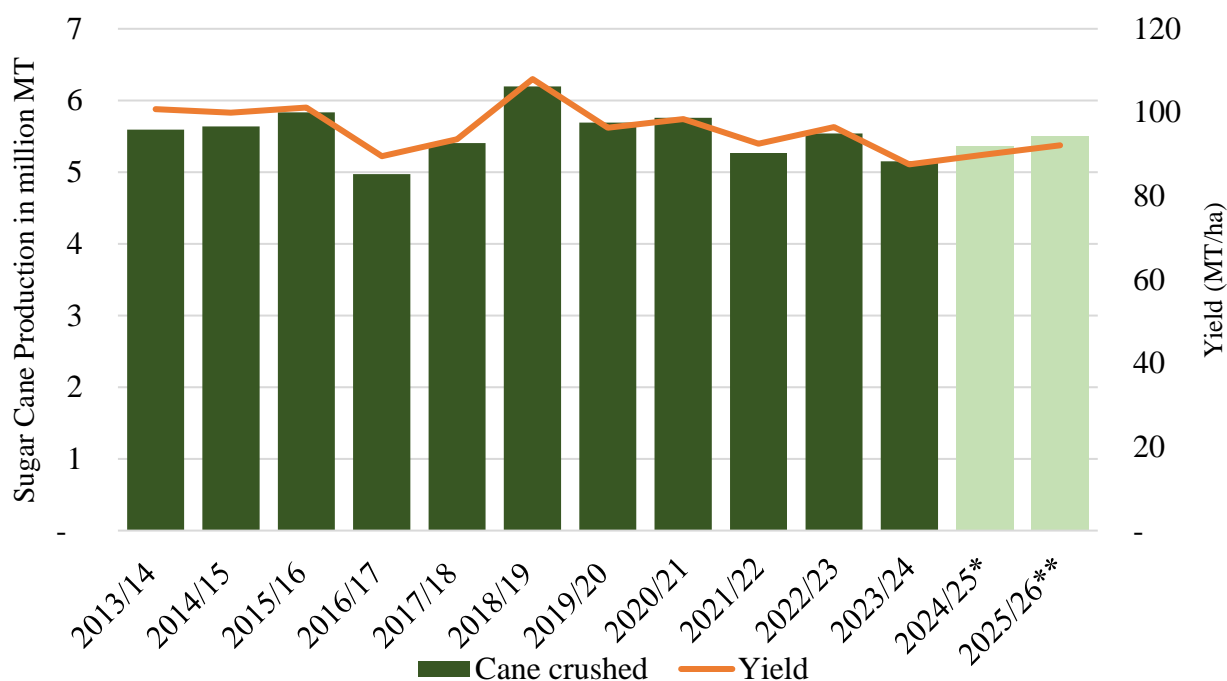
FAS/Pretoria revised MY 2024/25 production estimates downwards by 178,000 MT from the previous estimate. The MY 2024/25 crop was affected by the prevalence of yellow leaf aphid.

FAS/Pretoria learned from contacts that there were also impacts from other pests such as the fall armyworm and African armyworm, however they were not as prevalent as the yellow leaf aphid. Despite these pest challenges, cane production in MY 2024/25 grew by four percent from MY 2023/24 on carry-over cane from MY 2023/24, sufficient water for irrigation, and installation of more efficient irrigation systems.

Cane production in MY 2023/24 is revised downwards based on updated industry data. Due to adverse weather events such as heavy rains, hail, strong winds and high temperatures, some producers waited to harvest additional cane until March 2024, at the very end of the MY, betting on a rebound in cane quality. However, Eswatini received heavy rains in March 2024, which hampered those plans in some areas.

**Figure 1** shows sugar cane production and yields in Eswatini since MY 2013/14. Cane yields in MY 2025/26 are forecast to improve slightly in line with the long term average.

**Figure 1: Sugar Cane Production and Area Planted**



Source: Eswatini Sugar Association, Eswatini Cane Growers Association, & Post Forecast

\*Estimate

\*\* FAS/Pretoria Forecast

# Sugar

**Table 2: Production, Supply, and Distribution (PS&D) for Sugar**

Sugar, Centrifugal Market Year Begins	2023/2024		2024/2025		2025/2026	
	May 2023		May 2024		May 2025	
Swaziland	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	112	112	91	68	0	174
Beet Sugar Production (1000 MT)	0	0	0	0	0	0
Cane Sugar Production (1000 MT)	599	590	635	641	0	660
Total Sugar Production (1000 MT)	599	590	635	641	0	660
Raw Imports (1000 MT)	1	2	1	2	0	2
Refined Imp.(Raw Val) (1000 MT)	0	0	0	0	0	0
Total Imports (1000 MT)	1	2	1	2	0	2
Total Supply (1000 MT)	712	704	727	711	0	836
Raw Exports (1000 MT)	500	511	550	430	0	500
Refined Exp.(Raw Val) (1000 MT)	46	50	52	32	0	40
Total Exports (1000 MT)	546	561	602	462	0	540
Human Dom. Consumption (1000 MT)	73	73	73	73	0	73
Other Disappearance (1000 MT)	2	2	2	2	0	2
Total Use (1000 MT)	75	75	75	75	0	75
Ending Stocks (1000 MT)	91	68	50	174	0	221
Total Distribution (1000 MT)	712	704	727	711	0	836
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

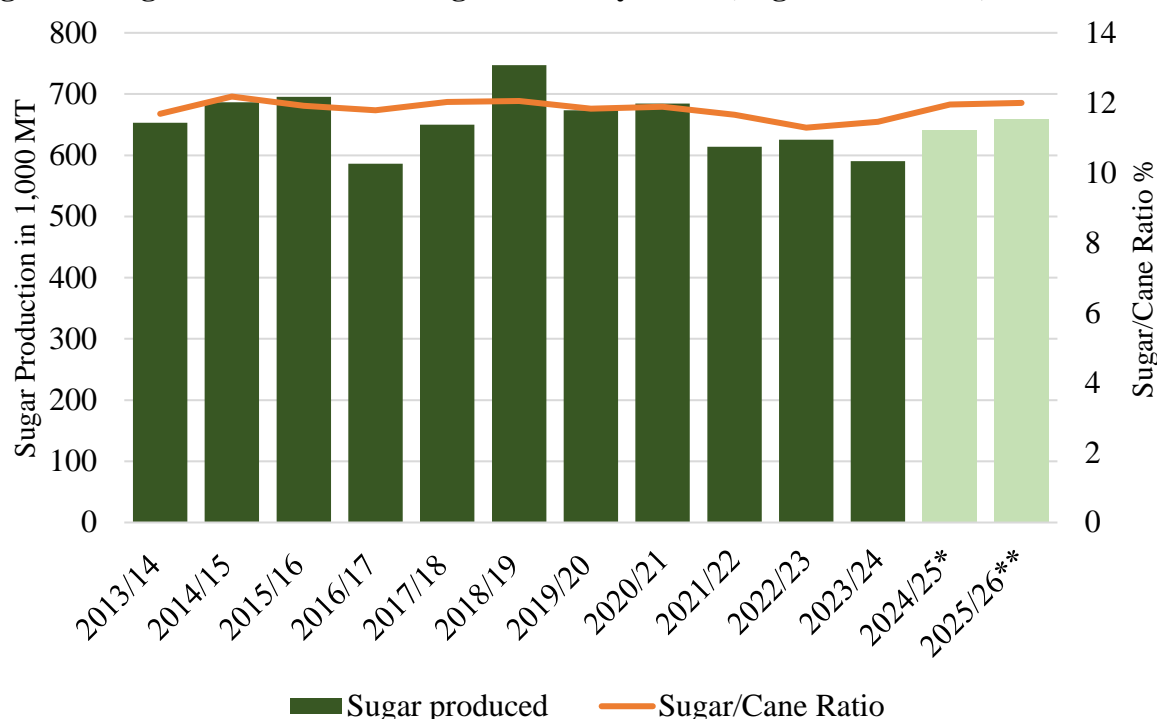
## Production

FAS/Pretoria forecasts that sugar production in MY 2025/26 will increase by three percent from MY 2024/25 on improved cane deliveries and milling efficiencies. Milling is scheduled to start around the second to last week of April. Therefore, millers had a sufficient period (January-March) to perform maintenance and prepare for MY 2025/26 crushing. Contacts reported that there is no-carry over cane from MY 2024/25 and this will result in a slight improvement in the sugar recovery rate<sup>1</sup>. **Figure 2** shows that the sugar recovery rate is expected to increase slightly to 12 percent in MY 2025/26, based on an expectation of timely cane deliveries to mills in the coming season.

FAS/Pretoria revises MY 2024/25 sugar production up slightly as the sugar recovery rate is reported to have improved in comparison to the previous MY. MY 2023/24 sugar production is revised downwards by 9,000 MT on finalized industry data.

<sup>1</sup> The sugar recovery rate refers to the number of kilograms (kg) of sugar obtained from a metric ton of sugar cane, expressed as a percentage.

**Figure 2: Sugar Production and Sugar Recovery Rates (Sugar/Cane Ratio)**



Source: Eswatini Sugar Association, Eswatini Cane Growers Association & Post Forecast  
 \*Estimate \*\*FAS/Pretoria Forecast

### **Consumption**

Eswatini's domestic consumption of sugar is forecast to remain unchanged in MY 2025/26. Economic challenges are expected to limit the upside of domestic consumption growth. The country's Gross Domestic Product (GDP) growth rate in 2024 is estimated at 4.87 percent, up from 3.4 percent in 2023 and higher than some other markets in the region. However, growth is expected to drop in 2025. Annual inflation is expected to remain elevated at 4.8 percent in 2025. Increases in electricity and water tariffs are expected to contribute to further inflation in 2025. Additionally, food insecurity and high unemployment rates remain a challenge.

Current consumption of sugar in Eswatini is supported by improved market access in remote areas of the country, which are now serviced by large retail groups such as Shoprite under the Usave brand. FAS/Pretoria contacts report that there is gradual growth in demand for locally produced low Glycemic Index (GI) sugar in retailer stores to appeal to niche consumers.

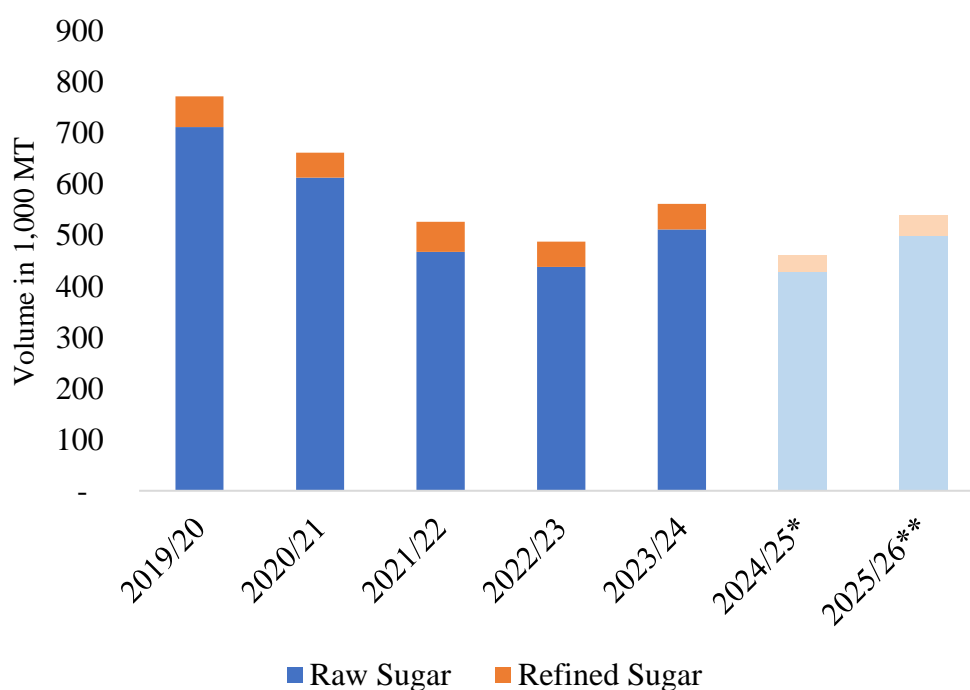
Eswatini enjoys strong sugar demand from food and beverage manufactures who use sugar as one of their main ingredients. The impact of alternative sweeteners on sugar consumption has thus far been insignificant in the country, and the Eswatini sugar industry is not concerned at this stage. However, given the increasing trend of using artificial sweeteners in South Africa, in the long run it is expected that Eswatini manufacturers may also adopt the use of artificial sweeteners to remain competitive in the region.

The main food and beverage manufacturers that utilize sugar in Eswatini are Bromor Foods, Kraft Foods (previously Cadbury), Ngwane Mills, Parmalat, and Eswatini Fruit Canners – Swazican. There are also two boutique companies that use sugar to produce limited quantities of rum, vodka, and craft gin in Eswatini.

### Exports

Eswatini traditionally exports raw sugar via the sugar terminal, Sociedade Terminal De Açúcar De Maputo (STAM) located in Maputo, Mozambique, which is jointly owned by Eswatini, Zimbabwe, Mozambique, and South Africa. On average, just over 90 percent of sugar exports from Eswatini are raw sugar exports (see **Figure 3**).

**Figure 3: Eswatini Raw and Refined Sugar Exports**



\* FAS/Pretoria Estimate

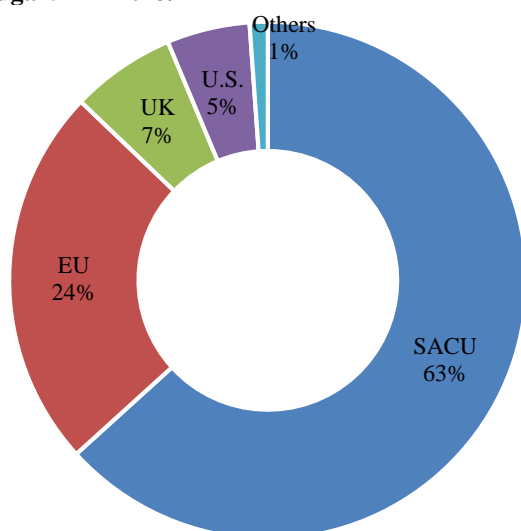
\*\* FAS/Pretoria forecast

Source: FAS Pretoria using Trade Data Monitor, LLC. data

FAS/Pretoria forecasts that sugar exports will increase by 17 percent in MY 2025/26 due to expected increases in sugar production and the sugar industry's campaign to increase access in regional markets.

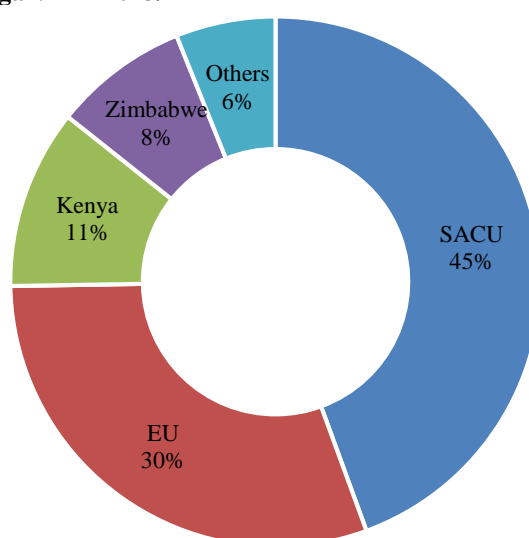
FAS/Pretoria lowers MY 2024/25 sugar exports by 120,000 MT on the pace of exports through February 2025. Exports are estimated to decline by 18 percent from MY 2023/24, following post-election protests in Mozambique which caused export disruptions. Contacts reports that only a relatively small portion of bagged sugar exports to the region was disrupted and exports to markets such as the United States had already been concluded before the disruptions. MY 2023/24 exports are revised upwards by 15,000 MT on finalized trade data.

**Figure 4: Eswatini Export Market Share of Raw Sugar: MY 2023/24**



Source: FAS Pretoria using Trade Data Monitor, LLC. data

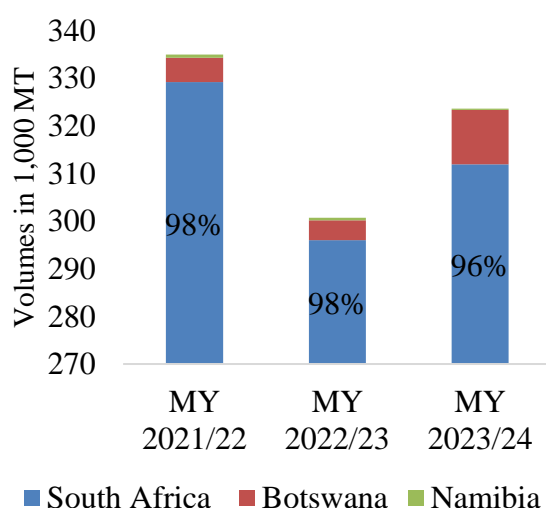
**Figure 5: Eswatini Export Market Share of Refined Sugar: MY 2023/24**



Source: FAS Pretoria using Trade Data Monitor, LLC. data

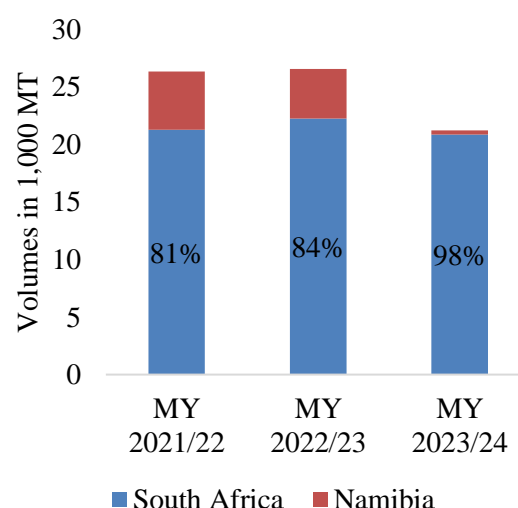
Eswatini exports sugar mainly to South African Customs Union (SACU) members, the EU, UK, and the United States, with smaller volumes to other African countries outside of SACU. SACU is the main market for Eswatini raw (63 percent in MY 2023/24) and refined sugar (45 percent in MY 2023/24), with most exports destined for South Africa. As a member of the customs union, Eswatini has duty-free access into Botswana, Lesotho, South Africa, and Namibia. In MY 2024/25, non-SACU countries exported some sugar to South Africa, taking away some market share from Eswatini exports.

**Figure 6: Eswatini's Raw Sugar Exports to SACU**



Source: FAS Pretoria using Trade Data Monitor, LLC. data

**Figure 7: Eswatini's Refined Sugar Exports to SACU**



Source: FAS Pretoria using Trade Data Monitor, LLC. data

The EU is another large export market, as Eswatini has quota-free and duty-free market access for sugar exports to the EU under the Southern African Development Community-EU Economic Partnership Agreement (SADC-EU EPA). FAS/Pretoria contacts report that the value of bagged



sugar is often more than raw sugar sales. There is rising demand in the EU market particularly for bagged 50 kg and 25 kg sugar. In MY 2023/24, Eswatini was able to grow exports of specialty sugar to the EU and FAS/Pretoria expects that exports to the EU will increase on improved production.

Eswatini is a beneficiary of the U.S. sugar tariff-rate quota (TRQ), allowing the country to export raw sugar duty-free to the United States, prior to the start of reciprocal tariffs. The United States is considered a premium market for Eswatini sugar, with prices much higher than other export markets. In MY 2023/24, Eswatini exported 5 percent of its sugar to the United States after Eswatini received a base quota allocation of 17,213 MT and an additional allocation of 8,800 MT for fiscal year (FY) 2024 (October 1, 2023–September 30, 2024). For FY 2025, Eswatini received a base allocation of 17,213 MT with no additional allocation as of the date of this report. The sugar industry marketing year runs from April to March, while the TRQ year runs from October to September, which results in the TRQ for two different FYs being recorded in one MY.

Eswatini benefits from an exemption allowing it to participate in the Common Market for Eastern and Southern Africa (COMESA), as a non-reciprocal member of the free trade agreement. Kenya has a safeguard measure on imported sugar which is expected to expire in November 2025. Under the safeguard, Kenya permits an upper limit of 350,000 MT of sugar imports to be shared among COMESA member states. Any imports from COMESA within that quota limit may access the Kenyan market duty free, and Eswatini typically benefits from this provision. If exports exceed the quota limit, Kenya imposes a 10 percent tariff on refined sugar. Refined sugar export to Kenya account for 11 percent of Eswatini's refined sugar foreign sales.

### **Imports**

Eswatini sugar imports are minimal due to the country's high production volumes, which typically far exceed domestic consumption. Eswatini's imports are mainly from South Africa and are less than 3,000 MT per marketing year.

### **Stocks**

FAS/Pretoria forecasts ending stocks will increase to 221,000 MT in MY 2025/26. The Eswatini Sugar Association owns the ending stocks of unsold sugar at the end of the season. Stocks held by retailers, wholesalers, and pre-packers are considered sold at the end of the season. Ending stocks greater than 40,000 MT pose a challenge to the industry as the Eswatini Sugar Association must pay storage fees and compensate millers and growers for any sugar not sold at the end of each season.

# **Trade Policy and Regulations**

## **Sugar Marketing and Sales**

The Eswatini Sugar Association (ESA) is responsible for marketing of all sugar produced in Eswatini (both raw and refined). The revenue obtained through the sale of sugar and molasses is shared between growers and millers based on an agreed process and formula guided by the Sugar Act of 1967 and the Eswatini Sugar Agreement. The ESA provides a rebate (discount) to value-added industries located within Eswatini to encourage and support domestic sugar sales.

### **Report Sources:**

Eswatini Sugar Association – <https://esa.co.sz/>

Eswatini Cane Growers Association – <http://www.ecga.co.sz/>

Royal Eswatini Sugar – <https://www.res.co.sz/>

### **Attachments:**

No Attachments