

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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South Africa - Republic of

Citrus Annual

Citrus Annual

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Report Highlights:

South Africa's citrus industry expects record exports for marketing year 2010/11. South Africa exported approximately 1.5 MMT of citrus to growing markets in the Middle and Far East on increased consumer demand largely for fresh oranges. South African citrus producers exported the Star Ruby grapefruit to the United States for the first time in July of 2010, as the U.S. Department of Agriculture recognized several production areas as free of citrus black spot disease in South Africa.

Executive Summary:

South Africa (SA) ranks as the world's second largest exporter of fresh citrus fruit by volume behind Spain, and is ranked 14th in world citrus production. Despite the increased competition in global markets, SA citrus production has been increasing as its industry adopts varieties that are in demand globally and adopts improved management practices to ensure consistently high quality fruit is delivered to markets.

HARVEST SEASON

The citrus season in South Africa starts in the month of April and ends in September. However, the harvest time varies depending on the fruit and variety.

Table 1. South Africa: Harvest Period for Citrus by Commodity

Citrus	Harvest Period
Marsh Grapefruit	Mid-April to Late June
Star Ruby Grapefruit	Mid-April to September
Lemons	June to September
Navel Oranges	June to July
Valencia Oranges	July to September
Tangerines	July to August

EXPORTS UP ACROSS ALL CITRUS COMMODITIES EXCEPT GRAPEFRUIT

The South Africa citrus industry has experienced a good 2010 season, export highlights for week 46 as reported by the industry showed that Valencia has increased from to 697,500 MT in 2010, Navels have also increased to 343,500 MT in 2010; lemons have also increased to 144,000 MT. Grapefruit is the only citrus commodity whose exports have declined from 205,500 MT in 2009 to 187,500 MT in 2010 at the same period.

South Africa's citrus fruits are mostly destined for export markets and are exported via the Durban and Port Elizabeth ports in South Africa or the Maputo port in Mozambique. About 60 percent of citrus exports depart from Durban. Citrus destined for the Middle East, the fastest growing market for South African citrus, is shipped through the Port Elizabeth port.

SOUTH AFRICAN CITRUS GAINS ACCESS TO THE UNITED STATES

SA citrus producers exported the Star Ruby grapefruit to the United States for the first time as a result of United States Department of Agriculture's decision recognize a number of citrus production areas in South Africa as pest free areas for citrus black spot disease.

SOURCES

- Citrus Growers' Association (CGA)
- Perishable Products Export Control Board (PPECB)
- Global Trade Atlas (GTA)
- Jacobsens Harmonised Customs Tariff
- Euromonitor
- <http://www.tshwane.gov.za/tshwanemarket/>

- South Africa Department of Agriculture, Forestry and Fisheries (DAFF)

ABBREVIATIONS

- Million metric tons (MMT)
- Calendar year (CY)
- Marketing year (MY)
- Marketing year beginning April 2011 - MY 2010/11
- Marketing year beginning April 2010 - MY 2009/10
- South Africa (SA)

EXCHANGE RATE

1 USD = R 6.95 for December 02, 2010

Commodities:

Grapefruit, Fresh

Select

Production:

Post forecasts South African grapefruit production will be 370,000 MT for MY 2010/11, an eight percent increase from the previous year, as part of South Africa's natural production cycle that exhibits a phenomenon of alternative yields for different years: a high yield production year will be followed by a low yielding year. South African grapefruit is harvested from mid-April to late June. Post estimates SA grapefruit production at 340,000 MT for MY 2009/10, an eight percent decline from the previous year's production due to the cyclical nature of production yields.

Grapefruit is mainly grown in the Limpopo and Mpumalanga provinces of SA. The two provinces are characterized by warm subtropical climatic temperatures which are best suited for grapefruit production. The most popular grapefruit varieties in South Africa are Star Ruby and Marsh. Star Ruby is a seedless variety and has a long harvest season running from April to September. The Marsh variety is cultivated mainly for processing because of its abundant and flavorful juice.

Area Planted

Post forecasts area planted to grapefruit will increase to 9,200 hectares (ha) for MY 2010/11, up one percent from the previous year, on expanded market access to the United States for South African grapefruit. SA exported grapefruit to the United States for the first time in 2010 following the USDA's recognition of several production areas being free of citrus black spot disease in SA.

Post revises area planted to grapefruit increased to 9,100 ha for MY 2009/10, up from 1.3 percent from the previous year, on increased plantings of the Star Ruby variety. Grapefruit producers have been shifting away from the Marsh variety to the Star Ruby since 2005, as Star Ruby prices have become more attractive to producers.

Consumption:

Post forecasts domestic consumption of fresh grapefruit to increase from 3.0 MT to 4.0 MT, in MY 2010/11, on increased production and higher available supplies. Post estimates domestic consumption of fresh grapefruit declined to 3.0 TMT in MY 2009/10 from 4.0 MT in the previous year on lower available supplies. Domestic consumption of fresh grapefruit is low as most consumers view grapefruit as being overly bitter when compared to oranges and tangerines. Also, grapefruit is expensive when compared to oranges on a per unit basis. A box containing six grapefruit costs R52 in the wholesale market, while a box of 16 oranges cost R61.

Grapefruit is also processed for juice, the majority of which is exported to the European Union (EU). The left over pulp following commercial juice extraction is an important source of grapefruit oil which is used as a flavoring 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. Finally, the grapefruit peel oil is used in scented fragrances.

Trade:

Imports

Post forecasts grapefruit imports will remain flat at 1,000 MT for MY 2010/11, since SA avails enough grapefruit to the local market to satisfy its domestic demand. Post estimates SA grapefruit imports at 1,000 MT for MY 2009/10 on limited demand for specialty grapefruits from Israel in the fresh market. The pace of imports as of October 2010 was 269 MT. There are imports until December with the majority of imports landing in the final quarter of the calendar year.

Exports

Post forecasts grapefruit exports will increase nearly six percent to 200,000 MT for MY 2010/11 on increased production and higher exportable supplies. Post estimates a ten percent decline in grapefruit exports to 189,100 MT for MY 2009/10 as compared to the previous year's exports of 210,186 MT, on a lower production base and lower exportable supplies.

Table 2. South Africa: Industry Grapefruit Export Estimates, as of Week 41, CY 2010

Grapefruit type	Actual 2009 (17 kg cartons)	Actual 2010 (17 kg cartons)
Red grapefruit	171,405	148,927
White grapefruit	41,953	40,090
Total	213,358	189,017

Source: CGA

Notes: The export data from the GTA differs from the industry data. Post recognizes this difference and adopts the South African citrus industry data.

Table 3. South Africa: Grapefruit Export Statistics

South Africa Export Statistics						
Commodity: 080540, Grapefruit Including Pomelos, Fresh Or Dried						
Calendar Year 2008 – 2009, Year To Date: 10/2009 & 10/2010						
Quantity						
Partner country	Units	Calendar Years		Year to Date		% Change
		2008	2009	10/2009	10/2010	
Japan	MT	59,580	91,834	91,834	45,553	-50,4
Netherlands	MT	47,791	72,932	50,098	49,840	-31,31
Italy	MT	9,326	43,621	43,621	7,979	-81,71
Canada	MT	3,435	22,881	22,881	4,692	-79,49
France	MT	3,359	21,676	21,668	3,418	-84,23
Russia	MT	14,070	19,509	19,509	17,424	-10,69
United Arab Emirates	MT	1,721	17,665	17,665	2,549	-85,57
United Kingdom	MT	18,776	14,104	14,104	11,218	-20,46
US	MT	82	92	92	184	99,49
Grand Total	MT	195,764	370,699	370,602	179,557	-51,55

Source: GTA

South Africa's grapefruit production is export orientated, as world prices yield better returns to producers than domestic prices. In CY 2009, the export net profit margin of fresh grapefruit was R3, 707 per ton compared to domestic sales which averaged to R2, 269 per ton. However, in 2006, the

industry noticed a decline in grapefruit exports to Japan and the United Kingdom (UK) which reflected consumers’ perception of bitterness of South African grapefruit. In 2009, the South African citrus fruit industry and South African National Agricultural Marketing Council (NAMC) visited Japan to promote grapefruit consumption. The campaign established a marketing agency called Market Marker which has since been marketing South African grapefruit in Japan. The South African grapefruit industry hopes to replicate success achieved by a similar marketing campaign for plum exports to the U.K. SA plum exports to the UK grew by 10.3 percent in value and 47.2 percent in volume in 2009 from the previous year.

Policy:

United States cold-steri protocol

There are still challenges regarding the amendment of the cold-steri protocol for 2010 and negotiations are ongoing.

Extended pest-free areas for citrus black spot

United States declared the following provinces and magisterial districts free of citrus black spot last year:

- Free State: Boshof, Fauresmith, Jacobsdal, Koffiefontein, and Philippolis
- North West Province: Christiania and Taung
- Northern Cape: Barkly-wes/west, Gordonia, Hay, Herbert, Hopetown, Kenhardt, Kimberely, Namakwaland, and Prieska

Table 4. South Africa: Tariffs on Citrus Fruit

Fruit type	Unit	General	EU	EFTA	SADC
Citrus	kg	5%	free	5%	Free

Source: Jacobsens Harmonized Customs Tariff

Marketing:

Beautiful Country Beautiful Fruit Campaign in the UK and Japan

The UK and Japan are two of South Africa’s leading fruit export destinations and grapefruit exports to these markets have declined in volume and value since 2005. The SA Citrus Growers Association (CGA) joined the “Beautiful Country, Beautiful Fruit” campaign which was started by the SA Deciduous Fruit last year in the UK to promote South African grapefruit and change consumer perceptions of the fruit’s bitterness. The campaign featured activities designed to educate shoppers about the sweet taste of SA grapefruit particularly the red varieties like Star Ruby.

Table 5. PRODUCTION, SUPPLY, AND DISTRIBUTION DATA

Grapefruit, Fresh Africa	South	2009/2010	2010/2011	2011/2012
		Estimate	Estimate	Forecast
		Market Year Begin: April 2009	Market Year Begin: April 2010	Market Year Begin: April 2011

	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	9,562	8,978		9,100		9,200	(Hectares)
Area Harvested	8,874	8,529		8,600		8,700	(Hectares)
Bearing Trees	8,400	8,128		8,400		8,600	(1000 Trees)
Non-Bearing Trees	1,000	946		1,000		1,200	(1000 Trees)
Total No. Of Trees	9,400	9,074		9,400		9,800	(1000 Trees)
Production	345	370		340		370	(1000 MT)
Imports	1	1		1		1	(1000 MT)
Total Supply	346	371		341		371	(1000 MT)
Exports	195	210		189		200	(1000 MT)
Fresh Dom. Consumption	4	4		3		4	(1000 MT)
For Processing	147	157		149		167	(1000 MT)
Total Distribution	346	371		341		371	(1000 MT)
TS=TD		0		0		0	

Notes: Post uses industry data for the PSD export figures given differences between GTA and industry figures.

Commodities:

Oranges, Fresh

Production:

Post forecasts SA production of Valencia and Navel oranges will increase to 1.65 MMT in MY 2010/11, up three percent from the previous year on good weather in the major citrus producing regions. However, drought in the Eastern Cape is expected to limit further production gains. Post estimates South African orange production at 1.6 MMT for MY 2009/10, up 11 percent from the previous year's on ideal weather conditions for citrus and good yields per hectare.

South African oranges are comprised of two varieties: Valencias and the Navels. Producers prefer Valencia oranges over Navels for horticultural characteristics that enable them to bear higher yields and sustain a longer shelf life than Navels. The two leading regions for Valencia production are Limpopo and Mpumalanga (although Valencia oranges are also grown in Eastern Cape and Western Cape on a smaller scale). Approximately 49 percent of Valencias are grown in Limpopo which is characterized by warm to hot climatic conditions needed for Valencia production. The main cultivars for Valencias are Delta and Midnight, and the harvest season extends from July to September.

The three leading regions for Navel production are Eastern Cape, Western Cape, and Mpumalanga in the north. Unlike Valencia oranges, Navels require cool growing conditions as can be found in the provinces above. The main cultivars for Navels are Palmer, and the harvest season extends from June to July.

Area Planted

Post forecasts area planted to oranges will increase slightly to 40,000 ha for MY 2010/11, one percent up from the previous year, on expanded market access to the United States for SA citrus. Post estimates area planted to oranges will increase to 39,700 ha for MY 2009/10 on increased investment in the orchards to replace old and aging Navel varieties trees. For MY 2009/10, the area planted to Valencias declined slightly by one percent from 24,186 ha to 23,976 ha due to excessive flooding in some of the production areas of the Western Cape. Although the area planted to Valencias declined, the overall total area planted to oranges remained virtually unchanged because the area planted to navels increased.

Consumption:

Post forecasts that fresh local orange consumption will remain flat at 141,000 MT for MY 2010/11 on static consumer demand. Post estimates that fresh local orange consumption increased to 140,000 MT for MY 2009/10, up three percent from the previous year, on higher available supplies.

Oranges are popular in South Africa and are widely consumed. Oranges form part of the national food basket of goods which are monitored quarterly by the South African National Marketing Council (NAMC) to track food price inflation. The Johannesburg and Tshwane Fresh Produce markets rank fresh oranges among the top consumed fruits in South Africa and the price for a 15 kilogram bag costs R61. Oranges destined for local market are consumed as fresh fruit or processed as orange juice.

Trade:**Imports**

Post forecasts orange imports to remain flat at 1,400 MT for MY 2010/11 since South African producers are largely able to satisfy domestic demand. Post estimates orange imports at 1,300 MT for MY2009/10 on low consumer demand. Imports usually come from Zimbabwe and Israel.

Exports

Post forecasts orange exports at 1.15 MMT for MY 2010/11, a five percent increase from the previous year, on higher exportable supplies. Post estimates orange exports at 1.1 MMT for MY 2009/10. According to industry reports, orange exports equal 1.0 MMT as of November 15 in MY 2009/10. That is a 14 percent increase compared to 2009 exports during the same period. The Navel export season has stretched over a longer period in MY 2010/11 than in the past years given the shift to late harvest varieties. This longer harvest season is expected to result in a higher volume of exports.

Although the EU has been SA's traditional market, industry reports show that citrus shipments are shifting from the European Union into new markets like the Middle East and Russia. Industry officials posit that these markets have recovered from the global recession, while sluggish demand persists in Europe, UK, and Japan.

Table 6. South Africa: Orange Export Statistics

South Africa Export Statistics Commodity: 080510, Oranges, Fresh Or Dried						
Calendar Year: 2005 - 2009, Year To Date: 10/2009 & 10/2010						
Quantity						
Partner Country	Unit	Calendar Year		Year To Date		
		2008	2009	10/2009	10/2010	%Change
Netherlands	T	189,823	151,982	151,938	197,538	30.01
United Arab Emirates	T	79,849	100,743	100,540	103,755	3.2
Russia	T	102,747	98,490	98258	132639	34.99
Saudi Arabia	T	138,308	72,204	72,071	88,894	23.34
United Kingdom	T	82,856	71,441	71,362	69,711	-2.31
Italy	T	35,501	60,911	60,911	41856	-31.28
Mozambique	T	48,390	39,799	39,588	52,384	32.33
US	T	32,645	28,053	28,053	34,813	24.1
Grand Total	T	1,077,205	1,033,962	1,029,380	1,098,782	6.74

Source: GTA

Table 7. PRODUCTION, SUPPLY, AND DISTRIBUTION DATA

Oranges, Fresh South Africa	2008/2009		2009/2010		2010/2011	
	Market Year Begin: Feb 2008		Market Year Begin: Feb 2009		Market Year Begin: Feb 2010	
	USDA	New	USDA	New	USDA	New

	Official	Post	Official	Post	Official	Post	
Area Planted	38,684	38,684	39,200	39,208		39,700	(HECTARES)
Area Harvested	40,384	36,750	38,900	37,248		37,700	(HECTARES)
Bearing Trees	42,500	31,813	43,200	37,156		38,000	(1000 TREES)
Non-Bearing Trees	2,000	1,906	2,200	2,462		2,500	(1000 TREES)
Total No. Of Trees	44,500	33,719	45,400	39,618		40,500	(1000 TREES)
Production	1,445	1,526	1,500	1,445		1,600	(1000 MT)
Imports	2	7	2	2		1	(1000 MT)
Total Supply	1,447	1,533	1,502	1,447		1,601	(1000 MT)
Exports	867	1,077	950	1,034		1,100	(1000 MT)
Fresh Dom. Consumption	136	133	150	73		161	(1000 MT)
For Processing	444	323	402	340		340	(1000 MT)
Total Distribution	1,447	1,533	1,502	1,447		1,601	(1000 MT)
TS=TD		0		0		0	

Commodities:

Orange Juice

Production:

Post forecasts oranges destined for processing will remain flat at 340,000 MT for MY 2010/11, on competition from supplies for fruit destined for fresh market. Post estimates oranges destined for processing will increase slightly to 340,000 MT in MY 2009/10, by five percent on available supplies. Oranges destined for processing compete against oranges destined for fresh export market and

producers receive a premium for fresh fruit in export markets. Therefore, the industry's priority is exporting fresh fruit and diverting whatever remains to processing.

Domestic data for frozen orange juice concentrate are unavailable in SA given the highly competitive nature of the industry. SA has approximately 16 fruit juice processors with three of the largest facilities in Limpopo and Eastern Cape. The production, supply, and distribution data are comprised of information extracted from various sources and represent Post's best effort to estimate statistics for orange juice. Data were derived from visits to citrus processors and information extracted from sources primarily focused on ready to drink juices in domestic market such as Euromonitor.

Consumption:

Post forecasts domestic consumption for frozen concentrate of orange juice (FCOJ) at 16,600 MT for MY 2010/11 since aggressive marketing campaigns in South Africa compel consumers to drink more fruit juice concentrates is destined for export market.

Post estimates consumption of frozen orange juice concentrate at 14,500 MT for MY 2009/10, as Ready to Drink (RTD) juices are preferred to FCOJ in the local market. In the local market, orange juice is sold as blends with other fruit juices and is also sold to local dairy processors for use in products like yoghurt. SA oranges have a high acid to sugar ratio which causes juice makers to blend orange juice with other fruits.

According to Euromonitor, 100 percent reconstituted juice lead growth in the domestic market for juice in value and volume terms in 2009. Reconstituted juice is popular with SA consumers because it has a long shelf life, and is perceived as healthy as 100 percent juice, while lower in price. Nectars, which are made from the fruit puree mixed with cane sugar and water, are also popular in the local market.

The most popular juice brands in SA are Ceres Fruit juice, Liqui-Fruit, and Clover Beverages. Ceres Fruit juice was a leading brand in terms of retail market share at 15 percent followed by Liqui-Fruit at 11 percent in 2009. The rising incomes of an expanding middle class, the lower relative prices of substitute fruit juice, and the consumer's preference for its taste have driven the demand for reconstituted juice in SA.

Trade:

Imports

Post forecasts that SA will import 29 MT of frozen orange juice concentrate in MY 2010/11, as South Africa does not consume a lot of FCOJ domestically.

Exports

Post forecasts exports of frozen orange juice to increase to 15,800 MT for MY 2010/11. Strong demand from oil rich Angola is expected to drive exports of frozen orange juice up. Post estimates frozen orange juice exports at 7,509 MT for MY 2009/10, on high competition for raw fruit arising high demand for fresh oranges in export markets.

Table 8. PRODUCTION, SUPPLY, AND DISTRIBUTION DATA

Orange Juice Africa	South		2009/2010		2010/2011		2011/2012	
			Market Year Begin: Jan 2009		Market Year Begin: Jan 2010		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post		
Deliv. To Processors		323,331		340,000		340,000		(MT)
Beginning Stocks		1,300		7,487		0		(MT)
Production		29,100		30,600		30,600		(MT)
Imports		104		42		29		(MT)
Total Supply		30,504		3,250		3,300		(MT)
Exports		10,557		7,509		15,800		(MT)
Domestic Consumption		12,460		14,500		16,600		(MT)
Ending Stocks		7,487		16,120		14,349		(MT)
Total Distribution		30,504		38,129		46,749		(MT)
TS=TD		0		0		0		
Comments								

Notes: Conversion methodology:

1 metric ton FCOJ 65 degrees Brix = 5, 6 metric tons NFC of 11, 6 degrees Brix

Commodities:

Tangerines/Mandarins, Fresh

Production:

Post forecasts production of SA soft citrus at 180,000 MT for MY 2010/11, a six percent increase from the previous year, on an increase in the number of trees coming into full bearing.

Post estimates production of South African soft citrus at 170,000 MT, for MY 2009/10, a three percent increase from the previous year on good weather conditions and high yields per hectare. The South African soft citrus cultivars are Clementines, Mandarins, Naartjie, and Satsuma. Clementines are the

most popular cultivar. Soft citrus grows best in the cool climatic conditions of the Eastern Cape and Western Cape.

Area Planted

Post forecasts area planted to soft citrus will increase to 5,100 ha for MY 2010/11, up two percent from the previous year, on growing demand from export markets. Post estimates area planted to soft citrus will increase by one percent to 5,000 hectares for MY 2009/10, compared to the previous year.

Consumption:

Post forecasts local consumption of South African soft citrus to remain flat at 9,000 MT for MY 2010/11 on static demand from consumers. Domestic consumption of soft citrus has been stable at 9,000MT for the past four years (2006 – 2009). The small size of soft citrus along with its easy-peeling nature and seedless characteristics make soft citrus a desirable snack for both children and adults. The average price in local market for soft citrus was R3,042 per ton in MY 2009/10.

Trade:

Imports

Post forecasts soft citrus imports to remain flat at less than one MT for MY 2010/11 as South Africa can meet its domestic demand.

Exports

Post forecasts exports of soft citrus at 145,000 MT for MY 2010/11, an increase of 3.6 percent, on higher exportable supplies. Post revises exports of soft citrus at 140,000 MT for MY 2009/10 on increased available supplies. Of all the SA citrus fruit, soft citrus had the highest export profit margin of R4, 631 per ton in 2009.

Table 9. South Africa: Soft Citrus Export Statistics

South Africa Export Statistics						
Commodity: 080520, Mandarins(Tang & Sats)Clementines & Wil- Kings &Sim Citrus Hybrids, Fresh/Dried						
Calendar Year: 2005 - 2009, Year To Date: 10/2009 & 10/2010						
Quantity						
Partner Country	Unit	Calendar Year		Year To Date		%Change
		2008	2009	10/2009	10/2010	
United Kingdom	T	48,207	55,585	55,585	45,266	-18.56
Netherlands	T	17,719	14,798	14,798	18,932	27.93
Canada	T	4,982	8,975	8,958	4,699	-47.54
Russia	T	13,028	8,430	8,430	12,136	43.96
Hong Kong	T	4,182	8,310	8,310	5,207	-37.34
United States	T	4,370	6,427	6,427	8,448	31.45
United Arab Emirates	T	3,341	5,337	5,312	5,393	1.53

Grand Total	T	112,249	127,139	127,084	115,827	-8.86
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Source: GTA

Table 10. PRODUCTION, SUPPLY, AND DISTRIBUTION DATA

Tangerines/Mandarins, Fresh South Africa	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Feb 2009		Market Year Begin: Feb 2010		Market Year Begin: Feb 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted		4,960		5,000		5,100	(Hectares)
Area Harvested		4,712		4,750		4,800	(Hectares)
Bearing Trees		4,628		4,700		4,750	(1000 Trees)
Non-Bearing Trees		332		350		400	(1000 Trees)
Total No. Of Trees		4,960		5,050		5,150	(1000 Trees)
Production		155		170		180	(1000 MT)
Imports		0		0		0	(1000 MT)
Total Supply		155		170		180	(1000 MT)
Exports		127		140		145	(1000 MT)
Fresh Dom. Consumption		9		9		9	(1000 MT)
For Processing		19		21		26	(1000 MT)
Total Distribution		155		170		180	(1000 MT)
TS=TD		0		0		0	

Commodities:

Lemons, Fresh

Production:

Post forecasts lemon production will increase to 250,000 MT for MY 2010/11, an eight percent increase from the previous year, as more trees reach full bearing potential.

Post estimates lemon production will to 230,000 MT for MY 2009/10, up seven percent from the previous year, on increases in the number of bearing trees. Approximately 44 percent of lemons are grown in the Eastern Cape and the most popular cultivar is Eureka. The mild winters and moderate summers make Eastern Cape the most ideal region for the best quality fruit with good internal quality and color.

Area Planted

Post forecasts area planted to lemons will increase slightly to 4,500 ha for MY 2010/11, up one percent from the previous year, on rising demand for SA’s lemons in the top two export destinations: Middle East and Northern Europe. Post estimates area planted to lemons increased slightly to 4,470 ha for MY 2009/10, an increase of less than one percent, on relatively flat demand in export markets.

Consumption:

Post forecasts local domestic consumption for MY 2010/11 to remain flat at 11,000 MT from the previous year on static consumer demand.

Lemons are not eaten fresh, but are used as flavorings for grilled or fried poultry and fish dishes. Fresh lemons are sold in both 7 kilograms at R51 and 15 kilograms bags at R62 by the local wholesale fresh produce market. The acids in the juice have been found to slow the growth of unwanted microbes that easily develop in food left to stay warm too long. The thinly peeled or grated rind of lemon has its own flavor that is highly prized in cooking and baking. The lemon juice can also be used in lemonades and as a mixer in alcoholic beverages. The pulp left over after commercial juice extraction is an important source of citrus oil, pectin and citric acid, and these are used by the food, cosmetics, and pharmaceutical industries.

Trade:

Imports

Post forecasts imports for fresh lemons will remain flat at less than one MT in MY 2010/11 from the previous year as SA can supply its domestic market.

Exports

Post forecasts lemon exports at 150,000 MT for MY 2010/11, approximately a three percent increase from the previous year, on higher exportable supplies and growing demand in the Middle East and Northern Europe. Post estimates lemon exports at 146,000 MT for MY 2009/10, on higher available exportable supplies.

SA lemons are mostly destined for the fresh export market and the most important markets for South African lemons are the Middle and Far East. Approximately 44 percent of South Africa’s lemons are exported to the markets listed above. South Africa exports 14 percent of its lemons to Northern Europe. The export profit margin for fresh lemons was R3, 960 per metric ton for 2009.

Table 11. South Africa: Lemon Export Statistics

South Africa Export Statistics
Commodity: 080550, Lemons (Citrus Limon/Limonum) & Limes (Citrus Aurantifolia/Latifolia), Fr/Dried
Calendar Year: 2005 - 2009, Year To Date: 10/2009 & 10/2010

Quantity						
Partner Country	Unit	Calendar Year		Year To Date		
		2008	2009	10/2009	10/2010	%Change
United Arab Emirates	T	27,294	131,196	131,120	28,320	-78.4
Saudi Arabia	T	18,559	64,324	63,704	19,024	-70.14
Japan	T	7,576	32,585	32,585	1,265	-96.12
Kuwait	T	4,536	30,616	30,616	4,493	-85.33
Russia	T	8,794	28,031	27,949	21,896	-21.66
Italy	T	5,318	16,380	16,380	4,479	-72.65
United Kingdom	T	23,601	15,889	15,889	17,103	7.64
Netherlands	T	27,073	13,855	13,855	21,162	52.74
US	T	0	0	0	46	n/a
Grand Total	T	165,657	396,945	395,713	150,093	-62.07

Source: GTA

Table 12 - Production, Supply and Demand Data Statistics:

Lemons/Limes, Fresh South Africa	2008/2009		2009/2010		2010/2011		
	Market Year Begin: Jan 2009		Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	4,449	4,449	4,472	4,470		4,500	(Hectares)
Area Harvested	4,269	4,227	4,292	4,240		4,270	(Hectares)
Bearing Trees	4,164	4,164	4,400	4,300		4,350	(1000 Trees)
Non-Bearing Trees	284	284	350	300		350	(1000)

							Trees)
Total No. Of Trees	4,448	4,448	4,750	4,600		4,700	(1000 Trees)
Production	215	214	260	230		250	(1000 MT)
Imports	0	0	0	0		0	(1000 MT)
Total Supply	215	214	260	230		250	(1000 MT)
Exports	130	130	150	146		150	(1000 MT)
Fresh Dom. Consumption	10	11	15	11		11	(1000 MT)
For Processing	75	73	95	73		89	(1000 MT)
Total Distribution	215	214	260	230		250	(1000 MT)
TS=TD		0		0		0	

Notes: The export data from the GTA differs from the industry data. Post recognizes this difference and adopts the South African citrus industry data.