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Global Agricultural Information Network

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South Africa - Republic of

Citrus Annual

South African Citrus Exports Expected to Grow in MY 2011/12

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Report Highlights:

South Africa ranks as the world's second largest exporter of fresh citrus fruit behind Spain. Post expects the 2011/12 export season to be similar to 2009/10 season at 1.54 MMT on anticipated increased supplies as more trees reach full bearing potential. The South African Marketing Year (MY) 2010/11 citrus production was negatively affected by hail storms that reduced Navel yields in the production areas of Mpumalanga province which is rated as the third biggest production region of Navel oranges in South Africa. Despite the slight decrease to citrus exports for MY 2010/11, the latest industry export figures show an increase in grapefruit and soft citrus export volumes.

Executive Summary:

South Africa (SA) ranks as the world's second largest exporter of fresh citrus fruit behind Spain, and is ranked 13th in world citrus production. Despite increased competition in global markets, SA citrus production has been increasing as the industry adopts new varieties to meet global demand and improves management practices. Approximately 62 percent of citrus in SA is grown for export markets, 23 percent is juiced, while 15 percent is sold on the local market.

The South African citrus industry is regarded as a supplier of high-quality fruit in terms of taste, size, and color. The industry set a domestic record in 2009/10 when it exported 1.5 MMT of citrus fruit (inclusive of all types). Sixty percent of South Africa's citrus exports depart from Durban. Thirteen percent of citrus exports transit the Cape Town port, while the balance is shipped through Port Elizabeth or Maputo, Mozambique, ports.

Figure 1. Map of Citrus Producing Regions



Source: CGA

Harvest Season

The citrus season in South Africa typically starts in April and ends in September. However, the harvest time and marketing years vary depending on the fruit and variety.

Marketing Year

There is a one year lag between the South African (SA) marketing year (MY) and the U.S. marketing year (MY). For example, SA MY 2011/2012 is equivalent to U.S. MY 2010/2011. As such, and to ensure data continuity, the current South African MY 2011/12 will be referred to as U.S. MY 2010/11 throughout this report. (Please see PSD tables for the relevant marketing years.)

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

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

Export season outlook:

Post expects the 2011/12 export season to be similar to 2009/10 season at 1.540 MMT on anticipated increased supplies as more trees reach full bearing potential. Additionally, the current relative weakness of the Rand against the dollar should boost citrus exports.

A slight decline is expected for the 2010/11 export season in South Africa as hail affected some of the orange producing areas. Current industry estimates for 2010/11 show an increase in grapefruit exports, a slight decline in oranges (Navels), and slight increases in soft fruit and lemons.

The 2009/10 export season was characterized by a strong Rand, which affected the profitability of producers exporting to Northern Europe and United Kingdom (UK) markets, rains that disrupted the first weeks of the harvest season, and a disruptive strike at ports that caused major export delays. Despite these challenges, South African producers had a record export season in 2009/10 with total citrus exports amounting to 1.5MMT. Strong demand from Middle East and Russian markets has stimulated the demand; the middle East market has been growing since 2007 at 16.8 percent, 18.2 percent in 2008 and 21.6 percent in 2009.

Sources

- Citrus Growers' Association (CGA)
- National Agricultural Marketing Council (NAMC)
- Perishable Products Export Control Board (PPECB)
- Global Trade Atlas (GTA)
- Jacobsens Harmonized Customs Tariff
- Euromonitor
- Tshwane Market
- South Africa Department of Agriculture, Forestry and Fisheries (DAFF)

Table 2. Exchange Rate

	R- \$ (Dollar)	R- € (Euro)	R- £ (Pound)
June 2011	6.69	9.87	11.02
June 2010	7.59	9.81	11.49

Source: CGA

Commodities:

Grapefruit, Fresh

Production:

Post forecasts 2011/12 South African grapefruit at 360,000 MT, a three percent decline as citrus production tends to cyclically drop every second year. Alternatively, post expects 2010/11 South African grapefruit production at 370,000 MT, an eight percent increase from the previous year, as South Africa's grapefruit production cycle experienced a higher yielding year.

Post revises 2009/10 grapefruit production at 343,173 MT based on industry reports. This represents a seven percent decrease over the previous year on changes in South Africa's grapefruit production cycle.

Grapefruit is mainly grown in Limpopo (3,202 ha), Mpumalanga (2,997 ha) and KwaZulu Natal (1,812 ha). These production regions are characterized by warm subtropical temperatures favorable for grapefruit production. The cooler areas of the Eastern Cape (180 ha), Northern Cape (93 ha), and Western Cape (21 ha) have fewer plantings. The Star Ruby and Marsh are the most popular grapefruit varieties in South Africa. 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. South African grapefruit is harvested from April to late June.

Area Planted

Post forecasts area planted to grapefruit at 9,250 hectares (ha) for 2011/12 on increased demand from new markets. Post estimates the area planted to grapefruit at 9,170 ha for 2010/11, a modest increase from the previous year on expanded market access to the United States for South African grapefruit. Grapefruit from the Northern Cape was exported to the US for the first time in 2010 after USDA's decision to increase the number of Citrus Black Spot free areas in SA.

Post revised area planted to grapefruit for 2009/10 at 9,076 ha based on industry reports. Grapefruit producers have been gradually shifting away from the Marsh variety to the Star Ruby. Since 2005, as Star Ruby prices have become more attractive to producers and worldwide consumer trends show an increasing preference for pigmented grapefruit over white.

Consumption:

Post forecasts 2011/12 domestic consumption of fresh grapefruit to decline to 4,000 MT on lower available supplies. Post estimates 2010/11 domestic consumption of fresh grapefruit at 5,000 MT on stable consumer demand, local consumers do not prefer grapefruit over other citrus fruits and domestic consumption figures usually do not exceed 5,000 MT. Grapefruits are expensive 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. Post revised 2009/10 local consumption at 5,000 MT based on citrus industry reports.

The majority of South African grapefruit juice is exported to the European Union (EU). The left over pulp from commercial juice extraction is a 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. Grapefruit peel oil is also used in scented fragrances.

Trade:

Table 3. South Africa: Grapefruit Import Statistics

South Africa Import Statistics				
Commodity: 080540, Grapefruit Including Pomelos, Fresh Or Dried				
Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
Israel	MT	188	336	409
Zimbabwe	MT	0	480	151
Turkey	MT	138	25	20
Other not listed	MT	119	158	19
Grand total	MT	445	999	599

Source: GTA

Exports

Post forecasts 2011/12 grapefruit exports at 230,000 MT on anticipated lower available supplies. However, Post estimates 2010/11 grapefruit exports at 238,000 MT on increased exportable supplies in the higher yielding year. Netherlands and Japan are SA's major export markets followed by Russia. Current trade statistics show a 22 percent increase in exports compared to 2010 quantities at the same period.

Table 4. South Africa Export Statistics (January – August, 2011)

<p align="center">South Africa Export Statistics Commodity: 080540, Grapefruit, Fresh</p>
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Year To Date: January – August				
Partner Country	Unit	Quantity		
		2009	2010	2011
Netherlands	MT	70,455	47,946	57,569
Japan	MT	91,594	45,133	55,407
Russia	MT	18,508	15,588	22,006
Mozambique	MT	13,056	12,819	11,366
UK	MT	13,463	10,229	10,373
US	MT	92	184	275
Grand Total	MT	362,944	171,804	210,339

Source: GTA

South African grapefruit enters the European Union duty-free while Japan imposes a ten percent Most Favored Nation (MFN) duty on SA grapefruit. Russia imposes a five percent duty or \$27.96/ton (whichever is the greater) while Canada, Hong Kong, and the UAE apply a zero percent MFN tariff on South African grapefruit exports. South African grapefruit can enter the US duty free under AGOA.

Table 5. South Africa: Grapefruit Export Statistics

South Africa Export Statistics Commodity: 080540, Grapefruit Including Pomelos, Fresh Or Dried Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
Netherlands	MT	47,791	72,932	50,098
Japan	MT	59,580	91,834	45,553
Russia	MT	14,070	19,509	17,424
Mozambique	MT	9,605	13,059	12,820
UK	MT	18,776	14,104	11,218
US	MT	82	92	184
Others not listed	MT	45,860	159,169	42,313
Grand Total	MT	195,764	370,699	179,610

Source: GTA

Post revises 2009/10 export volumes for grapefruit at 187,056 MT based on industry reports. The industry figure for 2009/10 grapefruit exports are slightly different from GTA numbers, but both numbers indicate a decrease in 2009/10 grapefruit exports on short available supplies. Post recognizes this difference and has decided to use industry figures in the PSD given they reflect the current situation, while the GTA table shows the individual countries exports to SA.

Production, Supply and Demand Data Statistics:

Table 6. Production, Supply, and Distribution – Grapefruit, Fresh

Grapefruit, Fresh	South	2009/2010	2010/2011	2011/2012
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Africa	Market Year Begin: Mar 2010		Market Year Begin: Mar 2011		Market Year Begin: Mar 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	9,100	9,076	9,150	9,170		9,250	(HECTARES)
Area Harvested	9,100	9,076	9,150	9,170		9,250	(HECTARES)
Bearing Trees	8,200	8,478	8,250	8,500		8,600	(1000 TREES)
Non-Bearing Trees	1,000	598	1,054	700		800	(1000 TREES)
Total No. Of Trees	9,200	9,076	9,304	9,230		9,400	(1000 TREES)
Production	343	343	377	370		360	(1000 MT)
Imports	1	0	0	0		0	(1000 MT)
Total Supply	344	343	377	370		360	(1000 MT)
Exports	187	187	221	238		230	(1000 MT)
Fresh Dom. Consumption	5	5	4	5		4	(1000 MT)
For Processing	152	151	152	127		126	(1000 MT)
Total Distribution	344	343	377	370		360	(1000 MT)
TS=TD		0		0		0	

Commodities:

Oranges, Fresh

Production:

Post forecasts SA's 2011/12 orange production (Valencia and Navel) at 1,400 MMT as more trees will reach full bearing potential. Post estimates SA's 2010/11 orange production (Valencia and Navel) to decline by five percent to 1.35 MMT on bad weather conditions that affected some of the citrus producing region. Hail storms in the Groblersdal and Marble Hall production areas of Mpumalanga Province negatively affected the oranges during the flowering stage. Although the Orange River region was also negatively affected by bad weather and floods in December 2010, the impact on citrus was minimal. Post revises 2009/10 total orange production at 1.428 MMT based on industry reports.

South African oranges are comprised of two varieties: Valencias and the Navels. Valencia is the most popular variety preferred by producers due to higher yields and longer shelf life than Navels. The two leading production regions for Valencia 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. 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. Unlike Valencia oranges, Navels require cooler growing conditions as can be found in the aforementioned provinces. The main cultivars for Navels are Palmer, and the harvest season extends from June to July.

Area Planted

Post forecasts area planted to oranges to increase to 40,300 ha for 2011/12, on increased demand from international markets. Post estimates area planted to oranges will reach 40,000 ha in 2010/11, on

increased plantings to Valencia oranges. Producers favor Valencia oranges over other cultivar as they bear higher yields and have a longer shelf life. Post revised area planted to oranges in 2009/10 at 39,618 ha on increased plantings for Valencia.

Consumption:

Post forecasts 2011/12 and 2010/11 fresh local orange consumption to remain flat at 136,000 MT on static consumer demand and industry's trend of availing the same quantity for the local market. Post revised the 2009/10 local consumption at 135,000 MT based on industry reports of static consumer demand.

Fresh oranges are popular in South Africa and are widely consumed. Oranges form part of the national food basket of goods which is 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 the local market are consumed as fresh fruit or processed as orange juice.

Trade:

Imports

Post forecasts 2011/12 SA orange imports to remain flat at less than 2,000 MT on the country's ability to satisfy domestic demand. Post estimates SA 2010/11 orange imports to reach 1,400 MT based on slight decline in available supplies. South African producers are largely able to satisfy domestic demand but imports from Israel occur around November and December to close supply gaps and satisfy year-long demand.

Table 7. South Africa: Orange Import Statistics

South Africa Import Statistics				
Commodity: 080510, Oranges, Fresh Or Dried				
Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
Zimbabwe	MT	3,934	1,140	1,022
Israel	MT	480	355	187
Other not listed	MT	2,370	204	46
Grand total	MT	6,784	1,699	1,255

Source: GTA

Exports

Post forecasts 2011/12 orange exports to reach 1.015 MMT on increased production. Post estimates 2010/11 orange exports at 955,000 MT, a nine percent decline from the previous year on lower available supplies. The decline in production was a result of hail damage in production regions. Higher stock availability in competitor countries also hampered SA citrus exports. Egyptian stocks (held back due to uprisings) supplied the Russia market, which created challenges for SA exports by forcing the industry

to divert product to Middle Eastern and Asian markets. Regardless of the challenging first part of the season, price recovery has been observed.

Post revised 2009/10 orange exports to 1.045 MMT based on industry reports. Although the EU has been SA's traditional market, industry reports show that citrus shipments to new markets, like the Middle East and Russia, are increasing. Industry officials posit that these markets have recovered from the global recession, while sluggish demand persists in Europe, UK, and Japan.

South African oranges enter the European Union (Netherlands, UK, Italy and Belgium) through a preferential tariff for South Africa. The tariffs are the result of the Trade, Development and Cooperation Agreement (TDCA) between the European Union and South Africa while South African oranges gain access into the USA through both the African Growth and Opportunities Act (AGOA) and the General System of Preferences (GSP).

Industry figures for 2009/10 orange exports are slightly different from the GTA numbers but both numbers indicate an increase in 2010 orange exports on good weather conditions. Post recognizes this difference and has decided to use industry figures in the PSD given they reflect the current situation, while the GTA table shows the individual countries exports to SA.

Table 8. South Africa: Orange Export Statistics

South Africa Export Statistics				
Commodity: 080510, Oranges, Fresh Or Dried				
Partner country	Unit	Quantity		
		2008	2009	2010
Netherlands	MT	189,823	151,982	197,813
Russia	MT	102,747	98,490	138,939
United Arab Emirates	MT	79,849	100,743	104,064
Saudi Arabia	MT	138,308	72,204	88,914
United Kingdom	MT	82,856	71,441	69,711
Mozambique	MT	48,390	39,799	52,764
US	MT	32,645	28,053	34,813
Other not listed	MT	402,587	499,303	687,018
Grand total	MT	1,077,205	1,033,962	1,109,611

Source: GTA

Production, Supply and Demand Data Statistics:

Table 9. Production, Supply, and Distribution Data – Oranges, Fresh

Oranges, Fresh Africa	South	2009/2010		2010/2011		2011/2012	
		Market Year Begin: Mar 2010		Market Year Begin: Mar 2011		Market Year Begin: Mar 2012	
		USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Planted	40,000	39,618	40,300	40,000		40,300	(HECTARES)
Area Harvested	40,000	39,618	40,300	40,000		40,300	(HECTARES)
Bearing Trees	38,250	37,156	39,100	38,250		39,100	(1000 TREES)
Non-Bearing Trees	2,800	2,462	3,100	2,800		3,100	(1000 TREES)
Total No. Of Trees	41,050	39,618	42,200	41,050		42,200	(1000 TREES)
Production	1,428	1,428	1,309	1,350		1,400	(1000 MT)
Imports	1	1	1	1		1	(1000 MT)
Total Supply	1,429	1,429	1,310	1,351		1,401	(1000 MT)
Exports	1,045	1,045	930	955		1,015	(1000 MT)
Fresh Dom. Consumption	135	135	135	136		136	(1000 MT)
For Processing	249	249	245	260		250	(1000 MT)
Total Distribution	1,429	1,429	1,310	1,351		1,401	(1000 MT)
TS=TD		0		0		0	

Commodities:

Orange Juice

Production:

Post forecasts 2011/12 oranges destined for processing at 250,000 MT, a four percent decline on strong competition from oranges destined for fresh markets. Post estimates 2010/11 oranges destined for processing increases to 260,000 MT, on higher volumes directed to processing due to poor export market performance for fresh oranges in the beginning of the season.

Post revised 2009/10 oranges destined for processing at 249,000 MT, a 23 percent decline from the previous year on strong competition from the fresh market. Oranges destined for processing compete against fresh oranges for the fresh export as producers receive a higher premium in the fresh markets.

Industry statistics (production) for orange juice (200911, 200912, and 200919) are largely 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 was 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 2011/12 domestic consumption for orange juice at 6,000 MT on competition from other non fruit beverages. Post estimates 2010/11 domestic consumption for orange juice at 10,000 MT on competition to export market. In the local market, orange juice is commonly used to blend 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 forces juice makers to blend orange juice with other fruits.

According to Euromonitor, consumers are returning to purchasing the not from concentrate 100 percent juice in 2010, compared to the 2009 trend of purchasing the 100 percent reconstituted juice which is little cheaper compared to the former. Orange, apple and mango remain the most popular juice flavors in South Africa. The most popular juice brands in SA are the Pick 'n' Pay, Liqui - fruit, Clover, Clover Nectar and Fruittree.

Trade:

Imports

Post forecasts 2011/12 orange juice imports to reach 450 MT on lower deliveries to processors due to competition in the fresh produce market. Post expects SA imports to be no more than 400 MT in 2010/11, as South Africa produces sufficient supplies to meet domestic demand. Orange juice imports typically come from Brazil, Spain and Zimbabwe.

Exports

Post forecasts 2011/12 orange juice exports at 18,000 MT on competition from oranges destined for fresh consumption. Post expects 2010/11 exports of orange juice at 19,500 MT on increased supplies as producers diverted higher volumes to processing this year due to poor conditions in the fresh market. The main export markets for SA orange juice are Netherlands, Israel, Zimbabwe, Mozambique and Angola.

Production, Supply and Demand Data Statistics:

Table 10. Production, Supply, and Distribution Data – Orange Juice

Orange Juice Africa	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Apr 2010		Market Year Begin: Apr 2011		Market Year Begin: Apr 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors	249,000	249,000	245,000	260,000		250,000

(MT)

Beginning Stocks	13,029	13,029	8,282	6,289		589	(MT)
Production	22,410	22,410	22,050	23,400		23,000	(MT)
Imports	399	398	400	400		450	(MT)
Total Supply	35,838	35,837	30,732	30,089		24,039	(MT)
Exports	15,556	17,548	17,500	19,500		18,000	(MT)
Domestic Consumption	12,000	12,000	9,500	10,000		6,000	(MT)
Ending Stocks	8,282	6,289	3,732	589		39	(MT)
Total Distribution	35,838	35,837	30,732	30,089		24,039	(MT)
TS=TD		0		0		0	

GTA import/ export figures converted to 65 – degrees brix basis

Commodities:

Soft Citrus, Fresh

Production

Post forecasts 2011/12 SA soft citrus production at 160,000 MT, on an increase in the number of trees coming into full bearing potential. Post estimates 2011/12 SA soft citrus production at 155,000 MT, on a bumper crop from the Eastern Cape production region. Good growing conditions lead to high yields in the Eastern Cape.

Post revised 2009/10 soft fruit production at 145,799 MT, a six percent decline when compared to the previous year, on drought in the Eastern Cape. Soft citrus grows best in the cool climatic conditions of the Eastern Cape and Western Cape regions. The SA soft citrus cultivars are Clementines, Mandarins, Naartjie, and Satsuma, with Clementines being the most popular cultivar.

Area Planted

Post expects the area planted to soft citrus in 2010/11 will reach 5,000 ha based on growing consumer demand in new markets. Of the citrus types, the soft citrus is attractive to producers as it has very good export margins on its easy peeling and seedless characteristics. Post revised the 2009/10 area planted to soft citrus at 4,960 ha based on industry reports. Although the cost of establishing new orchards is increasing, the returns from the growing demand in the United States and other markets is offsetting the costs. Industry officials expect area planted to continue expanding over the next three to five years.

Consumption:

Post forecasts local fresh domestic soft citrus consumption to remain flat at 9,000 MT based on continued static domestic demand. Post estimates local consumption of South African soft citrus to static at 9,000 MT in 2010/11 on stable demand. Domestic consumption of soft citrus has been stable at approximately 9,000MT for the past four years. 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 markets for soft citrus was R3,042 per ton in 2009. Post revised 2009/10 local consumption at 9,045 MT based on industry reports.

Trade:**Imports**

Post forecasts 2011/12 soft citrus imports to remain flat at less than 1,000 MT on stable domestic demand. Post estimates 2010/11 soft citrus imports at 750 MT, as South Africa can meet its domestic demand (Note: In the PSD tables, quantities below 1,000 MT are displayed as zero).

Imports from Israel occur in November and December to close the gap and provide year long availability.

Table 11. South Africa: Soft Citrus Import Statistics

South Africa Import Statistics				
Commodity: 080520, Mandarins(Tang & Sats)Clementines & Wil- Kings &Sim Citrus Hybrids,Fresh/Dried				
Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
Israel	MT	467	364	548
Spain	MT	215	171	181
Turkey	MT	120	102	22
Other not listed	MT	0	23	0
Grand total	MT	802	660	751

Source: GTA

Exports

Post forecasts 2011/12 soft fruit exports at 125,000 MT on available exportable supplies.

Post estimates 2010/11 soft citrus exports at 120,000 MT, a six percent increase from the previous year on increased exportable available supplies.

Post revises 2009/10 soft citrus exports at 113,034 MT, a ten percent increase from the previous year, on higher available supplies. Of all the SA citrus fruit, soft citrus had the highest export profit margin of R4, 631 per ton in 2009/10. The United Kingdom is the leading importer of soft citrus but producers are finding new opportunities in the Middle East and Russia. Growers also consider the United States an increasingly important market for future soft citrus exports.

European Union member states impose a 1.6 percent preferential tariff for South Africa for all naartjies originating from South Africa. Russia imposes a five percent or \$41.93 /ton (whichever in the greater) general tariff Most Favored Nation (MFN) while Canada, Hong Kong, the UAE, and Saudi Arabia impose a zero percent MFN duty. South African naartjies enter the US duty-free as a result of AGOA preferences.

Industry figures for 2009/10 for soft citrus exports are slightly different from GTA numbers; however both numbers indicate a decrease in 2010 exports. Post recognizes this difference and has decided to use industry figures in the PSD given they reflect the current situation, while the GTA table shows the individual countries exports to SA.

Table 12. South Africa: Soft Citrus Export Statistics

South Africa Exports Statistics				
Commodity: 080520, Mandarins(Tang & Sats)Clementines & Wil- Kings &Sim Citrus Hybrids,Fresh/Dried				
Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
UK	MT	48,207	55,585	45,266
Netherlands	MT	17,719	14,798	18,932
Russia	MT	13,028	8,430	12,136
United States	MT	4,370	6,427	8,448
United Arab Emirates	MT	3,341	5,337	5,393
Other not listed	MT	25,584	36,562	25,703
Grand total	MT	112,249	127,139	115,878

Source: GTA

Production, Supply and Demand Data Statistics:**Table 13. Production, Supply, and Distribution Data – Soft Citrus, Fresh**

Tangerines/Mandarins, Fresh South Africa	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: Jul 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	5,000	4,960	5,200	5,000		5,040
Area Harvested	5,000	4,960	5,200	5,000		5,040
Bearing Trees	4,750	4,779	4,820	4,800		4,820
Non-Bearing Trees	400	181	500	200		250
Total No. Of Trees	5,150	4,960	5,320	5,000		5,070
Production	146	146	155	155		160
Imports	0	0	0	0		0
Total Supply	146	146	155	155		160
Exports	113	113	120	120		125
Fresh Dom. Consumption	9	9	9	9		9
For Processing	24	24	26	26		26
Total Distribution	146	146	155	155		160
TS=TD		0		0		0

Commodities:

Lemons, Fresh

Production:

Post forecasts 2011/12 lemon production at 240,000 MT a modest increase as more trees reach full bearing potential. Post estimates 2010/11 lemon production at 230,000 MT, on good growing conditions in The Sundays River Valley in the Eastern Cape which is the top lemon producing region in South

Africa. A good growing season, characterized by good winter rains and perfect seasonal conditions, had a positive impact on lemon yields.

Post revised 2009/10 lemon production at 217,989 MT, about one percent up from the previous year. Hail impacted the Groblersdal area, the second largest production area, but the damage was minimal. Approximately 44 percent of lemons are grown in the Eastern Cape and the most popular cultivar is Eureka.

Some lemon producers have tried producing a seedless lemon variety of Eureka. Seedless fruit is sought after in the Western countries where it attracts premium prices, but the first seedless lemons developed in South Africa have been reportedly disappointing. The seedless variety of Eureka has low yields, is susceptible to root rot, and has proved costly in terms of production.

Area Planted

Post expects 2010/11 area planted to lemons will continue to increase to 4,460 ha to supply strong demand from Middle Eastern countries. Post revises area planted to lemons in 2009/10 at 4,449 ha based on industry reports on increased lemon plantings which almost doubled in 2010. Lemons are favored by producers as they have higher margins in export markets.

Consumption:

Post forecasts 2011/12 local consumption to remain flat at 11,000 MT on stable domestic demand. Post estimates 2010/11 local consumption to increase slightly to 11,000 MT on higher available supplies. Post revises the 2009/10 local domestic consumption at 11,372 MT based on industry reports.

Lemons are used as flavorings for grilled or fried poultry and fish dishes. Lemon juice can also be used in the drink, cleaning and pharmaceutical industries. In the food industry, lemon juice is used as a flavor agent, in cakes, tarts, biscuits, candies, ice creams and salad dressing sauces while in the drink industry, it used to make lemonade, smoothies, juices and liquors. In the cleaning industry, lemon juice has been used as a degreaser and disinfectant, due to its high concentration of citric acid, which can inhibit the proliferation of some molds and bacteria.

Trade:

Imports

Post forecasts 2011/12 lemon imports to remain flat at less than 1,000 MT on stable local demand. Post estimates 2010/11 imports for fresh lemons to remain at 54 MT, as SA can supply its domestic market (Note: In the PSD tables, quantities below 1,000 MT are displayed as zero).

Imports come from El Salvador, Israel and Zimbabwe with El Salvador dominating the market as a counter seasonal producer, which fills the demand gap after July.

Table 14. South Africa: Lemons Import Statistics

South Africa Import Statistics		
Commodity: 080550, Lemons (Citrus Limon/Limonum) & Limes (Citrus Aurantifolia/Latifolia), Fr/Dried		
Year Ending: December		
Partner country	Unit	Quantity

		2008	2009	2010
El Salvador	MT	22	0	22
Israel	MT	11	46	4
Zimbabwe	MT	24	0	8
Other not listed	MT	39	50	20
Grand total	MT	96	96	54

Source: GTA

Exports

Post forecasts 2011/12 lemon exports at 170,000 MT on available exportable supplies. Post estimates 2010/11 lemon exports at 160,000 MT, a ten percent increase resulting from big yields in the Sundays River production region. Current GTA figures show a ten percent increase in exports compared to 2010 quantities at the same period. The Middle East is a major importer of SA lemons. In 2010, 34 percent of SA exports were destined for the Middle East with United Arab Emirates being the major importer.

Table 15. South Africa: Lemons Exports Statistics

South Africa Export Statistics				
Commodity : 080550, Lemons (Citrus Limon/Limonum) & Limes (Citrus Aurantifolia/Latifolia), Fr/Dried				
Year To Date: January - September				
Partner country	Unit	Quantity		
		2009	2010	2011
Russia	MT	27,776	21,557	26,952
United Arab Emirates	MT	130,355	27,771	24,432
Saudi Arabia	MT	63,172	18,174	20,478
Netherlands	MT	13,608	21,013	19,182
United Kingdom	MT	15,751	17,053	14,269
Hong Kong	MT	10,043	8,560	10,125
Other not listed	MT	132,286	32,972	46,531
Grand total	MT	392,991	147,100	161,969

Source: GTA

Post revised 2009/10 lemon exports at 144,829 MT, based on industry reports and this represents about 11 percent increase above the previous year. SA lemon producers enjoyed a good 2009/10 season since Argentina, the biggest supplier of lemons to Northern Hemisphere markets, experienced unfavorable weather conditions in the 2009/10 season. This created an opportunity for South Africa to export more lemons in 2009/10 than in 2008/09.

South African lemons do not have preferential access to European markets. Limes however, enter the European Union with preferential tariffs for South Africa. In the case of the UAE, Hong Kong and Kuwait, the Most Favored Nation (MFN) tariffs apply.

Table 16. South Africa: Lemon Export Statistics

South Africa Exports Statistics
Commodity: 080550, Lemons (Citrus Limon/Limonum) & Limes (Citrus Aurantifolia/Latifolia), Fr/Dried

Year Ending: December				
Partner country	Unit	Quantity		
		2008	2009	2010
United Arab Emirates	MT	27,294	131,196	28,370
Russia	MT	8,794	28,031	21,896
Netherlands	MT	27,073	13,855	21,186
Saudi Arabia	MT	18,559	64,324	19,056
UK	MT	23,601	15,889	17,103
Other not listed	MT	60,336	143,650	42,995
Grand total	MT	165,657	396,945	150,606

Source: GTA

The industry figures for 2009/10 lemon exports is slightly different from the GTA number. Post recognizes this difference and has decided to use industry figures in the PSD given they reflect the current situation, while the GTA table shows the individual countries exports to SA.

Production, Supply and Demand Data Statistics:

Table 17. Production, Supply, and Distribution Data – Lemons/Limes, Fresh

Lemons/Limes, Fresh Africa	South	2009/2010		2010/2011		2011/2012		
		Market Year Begin: Mar 2010		Market Year Begin: Mar 2011		Market Year Begin: Mar 2012		
		USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted		4,800	4,449	5,080	4,460		4,480	(HECTARES)
Area Harvested		4,800	4,449	5,080	4,460		4,480	(HECTARES)
Bearing Trees		4,380	4,196	4,500	4,250		4,300	(1000 TREES)
Non-Bearing Trees		400	252	460	400		450	(1000 TREES)
Total No. Of Trees		4,780	4,448	4,960	4,650		4,750	(1000 TREES)

Production	218	218	220	230		240	(1000 MT)
Imports	0	0	0	0		0	(1000 MT)
Total Supply	218	218	220	230		240	(1000 MT)
Exports	145	145	146	160		170	(1000 MT)
Fresh Dom. Consumption	11	11	12	11		11	(1000 MT)
For Processing	62	62	62	59		59	(1000 MT)
Total Distribution	218	218	220	230		240	(1000 MT)
TS=TD		0		0		0	

Policy:

United States cold-steri protocol

The cold-steri protocol for 2010 had been amended, with the support of the USDA, leading to a reduction in the cold-steri period from 24 days to 22 days. However, the United States and South African authorities have been unable to agree on the implementation. Thus, the protocol remains at 24 days to control false codling moth.

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, Gordonias, Hay, Herbert, Hopetown, Kenhardt, Kimberely, Namakwaland, and Prieska

Table 18. South Africa: Tariffs on Citrus Fruit

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