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South Africa - Republic of

Fresh Deciduous Fruit Semi-annual

South African Deciduous Fruit Exports Continue Positive Growth

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Report Highlights:
South Africa`s production and exports of apples, pears and table grapes continues to grow mainly due to new orchards coming into full production, and some wine grape areas being diverted to table grapes. This has cushioned the impact of the recent drought conditions on the 2018/19 MY crop. However, the production of apples and pears is not expected to return to normal production levels until in the 2019/20 MY. South Africa is self-sufficient and only imports small quantities of deciduous fruits to fulfill niche markets or to satisfy domestic demand 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). The United States and South Africa are negotiating to expand this market access to include areas regulated for apple maggot in the United States.

Commodities:

Apples, Fresh
Pears, Fresh
Grapes, Table, Fresh

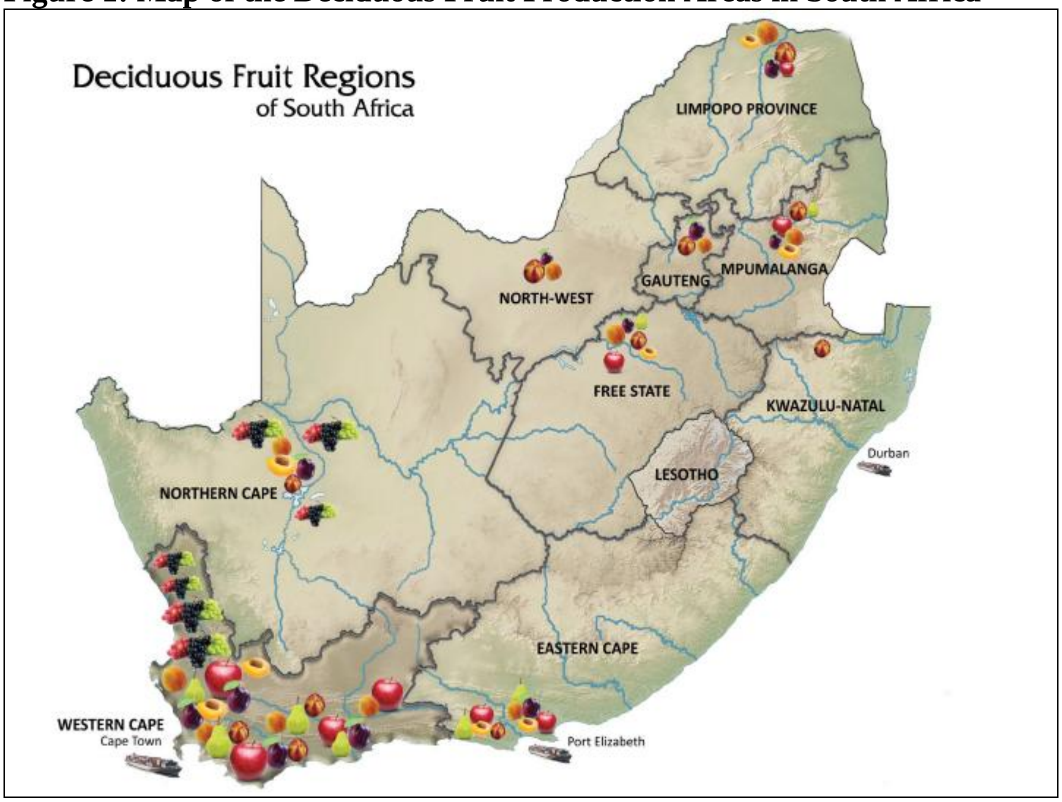
Apples and Pears Marketing Year (MY) – January to December.
Table Grapes MY – October to September.
MT – Metric Tons

Sources
Hortgro - http://www.hortgro.co.za
South African Table Grapes Industry (SATGI) - http://www.satgi.co.za/
Global Trade Atlas (GTA) - http://www.gtis.com/gta/

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.

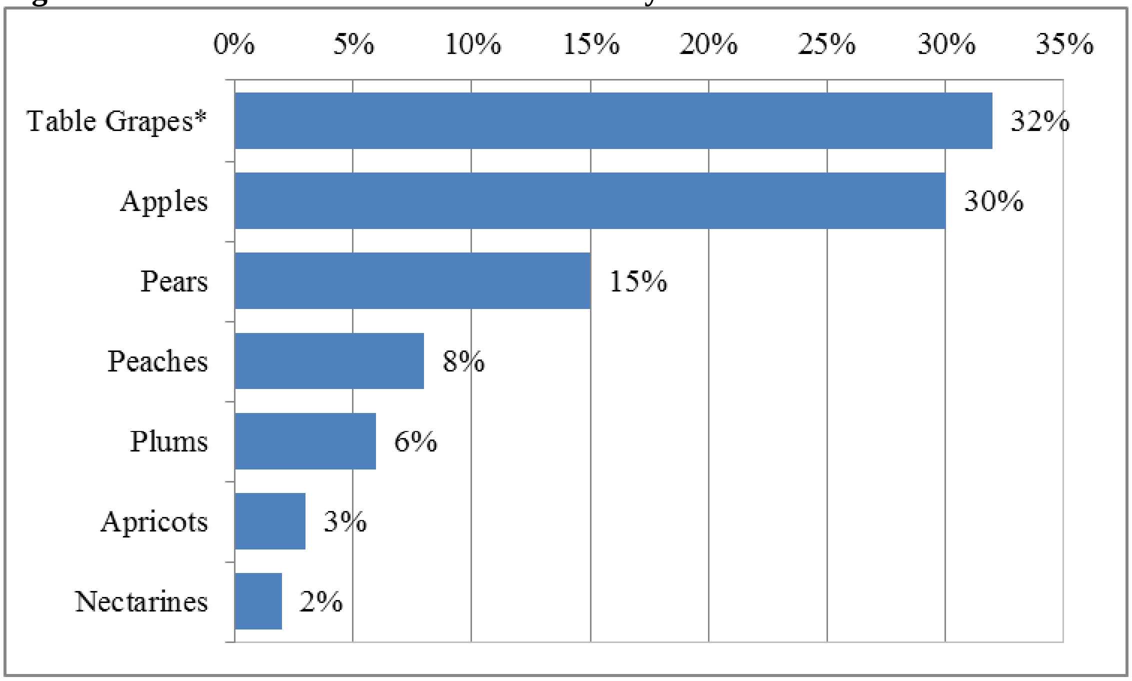
Figure 1: Map of the Deciduous Fruit Production Areas in South Africa



Source: HORTGRO
Deciduous fruit is the largest sub-sector of the South African fruit industry in terms of area planted, which was 80,738 hectares in the 2017/18 MY, from 79,911 hectares in the 2016/17 MY. Table grapes

(fresh and dried) accounted for 32 percent of the total area planted to deciduous fruits in the 2017/18 MY, followed by apples (30 percent), pears (15 percent), peaches (8 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



Source: HORTGRO
*Fresh and Dried.

The South African Table Gapes Producers Association (SATGI) represents and supports the interests of table grapes producers, mainly 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:

Production

The production of apples is estimated to increase by 6 percent to 840,000 MT in the 2018/19 MY, from 790,000 MT in the 2017/18 MY. This is due to the increase in area planted, available irrigation water following improved 2018 winter rainfall, and improved water management techniques by farmers. The 2017/18 MY production of apples was revised downwards to 790,000 MT based on final industry figures and the impact of the drought.

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 2019 winter rainfall will be used for irrigation in the following year in 2020. Apple production is expected to return to normal production levels in the 2019/20 MY, based on normal winter rainfall forecast in 2019 and improved measures by farmers to mitigate drought conditions, e.g. adopting water saving techniques such netting or removing lower yielding and older orchards.

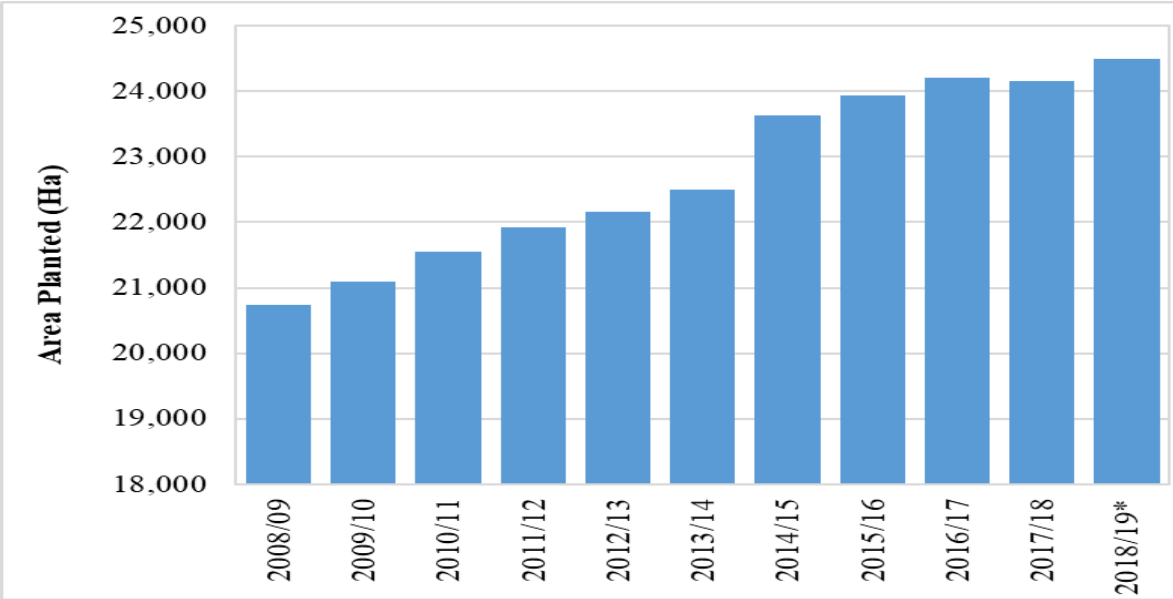
The Western Cape is the heartland of deciduous fruit production, with a cool climate similar to the Mediterranean, which is favorable for apple production. Ceres is the largest apple growing region accounting for 29 percent of the area planted, followed by Groenland (27 percent), Langkloof East (18 percent) and Villiersdorp (15 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.

Area Planted

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. Increases in area planted are both from new land under cultivation and land being diverted from wine grapes. Post estimates that the area planted to apples in the 2018/19 MY will increase by 1 percent to 24,500 hectares, from 24,156 hectares in the 2017/18 MY, due to normal weather conditions, and new orchards coming into production as the industry continues its recovery from the 2017/18 MY drought.

The Golden Delicious cultivar is the most planted cultivar accounting for 24 percent of the total area planted in South Africa, followed by the Granny Smith cultivar at 18 percent. Other cultivars which have been growing steadily are Gala (16 percent), Pink Lady (10 percent) and Fuji (9 percent).

Figure 3: Area Planted to Apples in South Africa



Source: HORTGRO, and Post Estimates
*Estimate.

Consumption

Domestic consumption of apples is estimated to increase by 3 percent to 195,000 MT in the 2018/19 MY, from 190,000 MT in the 2017/18 MY. This is due to the increase in production, but partially offset by the depressed consumer demand because of the challenging economic environment characterized by low economic growth and high inflation.

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 rebound to normal levels and increase by 20 percent to 540,000 MT in the 2018/19 MY, from 448,629 MT in the 2017/18 MY. This is due to the increase in production and improvement in the quality standards, e.g. color and size based on normal weather conditions. The 2017/18 MY apple exports were revised downwards to 448,629 MT, based on final Global Trade Atlas (GTA) data and the decrease in final apple production figures.

The United Kingdom is the largest single country market for South African apple exports accounting for 19 percent of the total exports in 2018, followed by Malaysia (8 percent), Nigeria (7 percent), Bangladesh (5 percent), and Netherlands (5 percent). However, Africa is the largest regional market accounting for 39 percent of the total South African apple exports in the 2017/18 MY, followed by the

European Union (EU) at 25 percent, and Asia at 19 percent. Exports to Africa are largely driven by strong demand, limited competition in these markets and that apples have the ability to endure suboptimal handling conditions. However, poor cold chain facilities and supply chain infrastructure remains a notable challenge in most African countries.

South Africa has a free trade agreement with the EU. The potential impact of Brexit to South African apple exports is still uncertain, but industry contacts expect no disruptions to this market as South Africa continues to undertake extensive marketing of its apples in the United Kingdom, and the two governments are already discussing possible arrangements post-Brexit.

Exports to the United States are minimal at below 50 MT, due to the higher shipping costs, and the challenges of maintaining the right quality and shelf life of the apples. **Table 1** shows the breakdown of the major export countries for South African apples.

Table 1: South African Fresh Apple Exports

South Africa Export Statistics				
Commodity: 080810, Apples, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	2016	2017	2018
World	T	510,849	553,112	448,629
United Kingdom	T	107,614	153,104	83,572
Malaysia	T	51,290	48,422	37,646
Nigeria	T	41,121	35,949	33,590
Bangladesh	T	25,082	35,068	23,825
Netherlands	T	16,773	14,874	20,991
Kenya	T	18,166	17,089	17,341
Russia	T	14,739	17,781	16,922
Senegal	T	13,342	14,942	15,263
United Arab Emirates	T	23,207	18,633	12,790
Botswana	T	13,006	12,406	11,683
Singapore	T	11,378	10,385	10,715
Zambia	T	14,113	11,329	10,613
Zimbabwe	T	13,947	10,883	10,323
Namibia	T	9,576	9,698	8,801
Angola	T	8,725	10,012	8,403
Mozambique	T	6,362	7,109	8,265
Ghana	T	9,256	8,626	7,558
Swaziland	T	6,549	6,729	6,177
Cameroon	T	6,403	6,500	6,028
Taiwan	T	13,495	12,344	5,982
Cote d Ivoire	T	5,364	6,158	5,931
Mauritius	T	6,333	6,454	5,893
Togo	T	2,845	4,863	5,018
Germany	T	4,884	4,739	4,734

Source: Global Trade Atlas (GTA)

Imports

South Africa is a net exporter of apples, and only imports apples to fulfill niche markets or satisfy domestic demand when supply is limited. The customs duties payable on imports is shown in **Table 3**. 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). A market expansion request to include apples from areas regulated for apple maggot is still being negotiated by the U.S. and South Africa government. 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 2: South African Fresh Apple Imports

South Africa Import Statistics					
Commodity: 080810, Apples, Fresh					
Year Ending: December					
		Quantity			
Partner Country	**Unit**	**2015**	**2016**	**2017**	**2018**
World	T	4	62	115	70
Russia	T	0	0	22	24
Kenya	T	0	0	0	23
United Kingdom	T	0	0	0	23
United Arab Emirates	T	0	23	23	0
Singapore	T	0	0	25	0
Bahrain	T	0	20	0	0
Malaysia	T	0	0	22	0
Sri Lanka	T	0	19	0	0
Taiwan	T	0	0	23	0

Source: GTA

Table 3: 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 4: Production, Supply and Demand (PSD) of Fresh Apples

Apples, Fresh	2016/2017		2017/2018		2018/2019	
Market Begin Year	Jan 2017		Jan 2018		Jan 2019	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	24212	24212	24156	24156	24500	24500

Area Harvested	21900	21900	18842	18842	20000	20000
Bearing Trees	27200	27200	25000	25000	26000	26000
Non-Bearing Trees	3100	3100	3000	3000	3300	3300
Total Trees	30300	30300	28000	28000	29300	29300
Commercial Production	902130	902130	814443	790000	850000	840000
Non-Comm. Production	0	0	0	0	0	0
Production	902130	902130	814443	790000	850000	840000
Imports	550	550	400	463	300	500
Total Supply	902680	902680	814843	790463	850300	840500
Fresh Dom. Consumption	205435	205435	188330	190000	190230	195000
Exports	553112	553112	529000	448629	550000	540000
For Processing	144133	144133	97513	151834	110070	105500
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	902680	902680	814843	790463	850300	840500
(HA) ,(1000 TREES) ,(MT)						

Pears, Fresh:

Production

The production of pears is estimated to marginally increase by 0.5 percent to 410,000 MT in the 2018/19 MY, from 408,146 MT in the 2017/18 MY. This is due to the increase in area planted, available irrigation water following improved 2018 winter rainfall, and improved water management techniques by farmers. This increase was partially constrained by the impact of the 2017/18 MY drought conditions, and heat wave experienced in some growing regions during flowering.

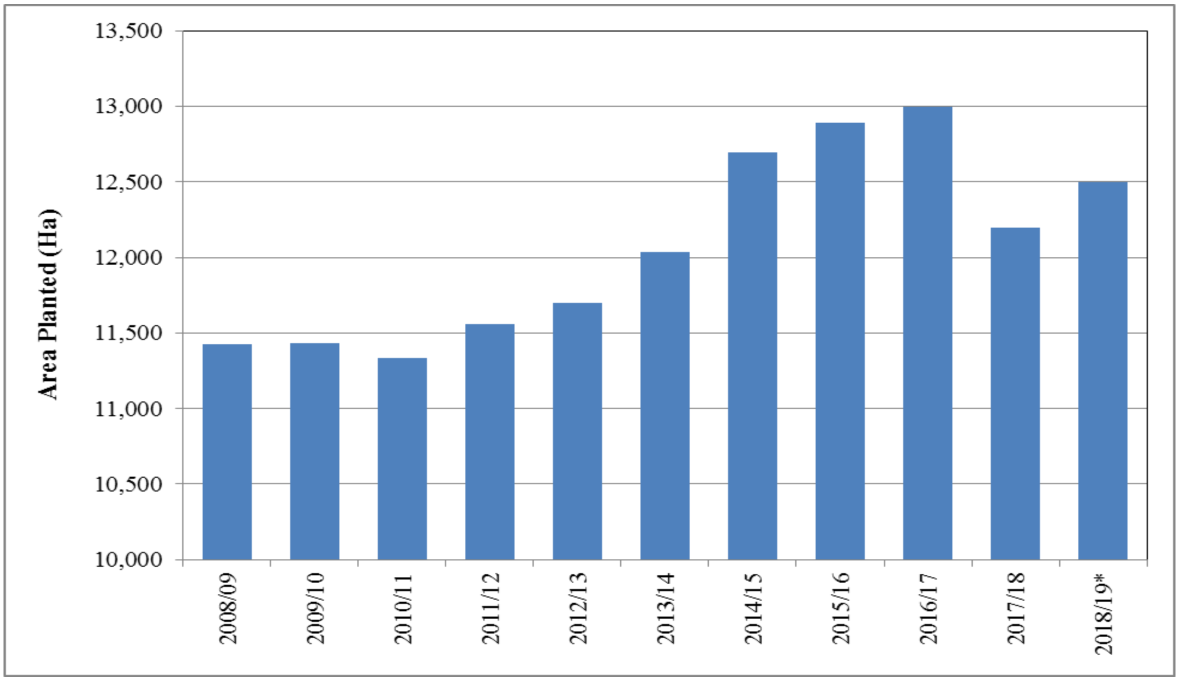
Pears grow well in areas that do not experience very high temperatures. Similar to apples, about 79 percent of the pear production is in the Western Cape, which is a winter (May to July) rainfall region. The 2019 winter rainfall is used for irrigation in the following year in 2020. Pear production is only expected to return to normal production levels in the 2019/20 MY, based on normal winter rainfall forecast in 2019 and improved measures by famers to mitigate drought conditions, e.g. adopting water saving techniques such netting or removing lower yielding older orchards.

Area Planted

Figure 4 shows that the area planted with pears has increased steadily 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 area planted to pears is estimated to increase by 2 percent to 12,500 hectares in the 2018/19 MY, from 12,200 hectares in the 2017/18 MY, as the industry begins its recovery from the drought, and new orchards coming into full production.

The major growing area for pears is Ceres, which accounts for 37 percent of the total area planted in South Africa, followed by Langkloof East (14 percent), Groenland (12 percent), Wolseley/Tulbagh (11 percent), Klein Karoo (9 percent) and Villiersdorp (8 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 (26 percent), William Bon Chretien (20 percent) and Abate Fetel (6 percent).

Figure 4: Area Planted to Pears in South Africa



Source: HORTGRO and Post Estimates
*Estimate.

Consumption

Domestic consumption of pears is estimated to increase by 2 percent to 43,000 MT in the 2018/19 MY, from 42,150 MT in the 2017/18 MY, due to the increase in production. Pears and apples are close substitutes in the domestic market, although there seems to be a preference for apples. The per capita consumption of pears in South Africa at 1kg is still relatively lower than apples (4kg), and small compared to other countries such as those in Europe, whose pear per capita consumption is 4kg.

Exports

The 2018/19 MY pear exports are estimated to increase by 8 percent to 240,000 MT, from 222,049 MT in the 2017/18 MY, based on the increase in production. The EU is South Africa`s leading export market accounting for 52 percent of total pear exports, followed by Asia (18 percent), Middle East (18 percent), and Africa (8 percent). Exports to the United States are low and range between 281 to 1,200 MT.

Table 5: South African Fresh Pears Exports

South Africa Export Statistics

Commodity: 080830, Pears, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	2016	2017	2018
World	T	250,255	265,595	222,049
Netherlands	T	63,561	68,447	41,581
Russia	T	19,550	34,386	33,511
United Arab Emirates	T	25,170	23,674	22,316
India	T	7,681	9,217	14,569
United Kingdom	T	13,283	20,588	11,607
France	T	9,492	9,203	7,927
Saudi Arabia	T	8,585	7,959	7,763
Indonesia	T	7,847	8,401	7,006
Italy	T	7,842	7,757	6,393
Malaysia	T	9,149	7,360	6,287
Canada	T	8,194	7,332	5,870
Portugal	T	5,774	5,899	5,088
Vietnam	T	1,119	2,153	4,516
Germany	T	12,887	9,891	4,482
Singapore	T	4,384	4,318	3,998
Oman	T	2,058	3,403	3,535
Hong Kong	T	8,404	5,285	3,470
Nigeria	T	3,221	2,630	2,616
Mauritius	T	2,157	2,384	2,346
Qatar	T	441	736	2,095
Botswana	T	2,074	1,926	1,871
Bangladesh	T	311	716	1,672
Kuwait	T	1,058	1,141	1,663
Spain	T	1,932	1,473	1,510
Angola	T	1,526	1,843	1,494
Namibia	T	1,131	1,267	1,296
Mozambique	T	1,638	883	1,177
Swaziland	T	1,131	1,073	1,140
Senegal	T	1,148	969	1,008

Source: GTA

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 Africa market. This protocol is available on the following link: http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/protocol_pear_China.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 **Figure 7**.

Table 6: South African Fresh Pears Imports

South Africa Import Statistics				
Commodity: 080830, Pears, Fresh				
Year Ending: December				
		Quantity		
Partner Country	Unit	2016	2017	2018
World	T	89	123	77
China	T	65	103	77
Malaysia	T	0	20	0
Russia	T	24	0	0

Source: GTA

Table 7: 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 8: PSD of Fresh Pears

Pears, Fresh	2016/2017		2017/2018		2018/2019	
Market Begin Year	Jan 2017		Jan 2018		Jan 2019	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	13000	13000	12000	12000	12500	12500
Area Harvested	12000	12000	11500	11500	11800	11800
Bearing Trees	15300	15300	15000	15000	15500	15500
Non-Bearing Trees	1000	1000	800	800	1000	1000
Total Trees	16300	16300	15800	15800	16500	16500
Commercial Production	431535	431535	408146	408146	420000	410000
Non-Comm. Production	0	0	0	0	0	0
Production	431535	431535	408146	408146	420000	410000
Imports	200	218	300	196	100	200
Total Supply	431735	431753	408446	408342	420100	410200
Fresh Dom. Consumption	47072	47072	42150	42150	42970	43000
Exports	265600	265600	230000	222049	240000	240000
For Processing	119063	119081	136296	144143	137130	127200
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	431735	431753	408446	408342	420100	410200
(HA) ,(1000 TREES) ,(MT)						

Table Grapes, Fresh:

Production

The production of table grapes is estimated to increase by 2 percent to 315,000 MT in the 2018/19 MY, from 307,541 MT in the 2017/18 MY. This is based on the increase in area harvested, normal weather conditions and availability of irrigation water. The recovery from the drought and return to normal table grape production is expected to be in the 2018/19 MY, due to the climatically diverse growing regions in the Western Cape Province and Northern Cape Province (not impacted by the drought), increase in area under production, and the continued shift to higher yielding new varieties.

The major growing areas for table grapes are the Hex River and Berg River regions in the Western Cape Province, accounting for 54 percent of the total area planted, followed by the Orange River and Olifants River regions in the Northern Cape Province, accounting for 35 percent of the total area planted. 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 9: Table Grapes Area Planted per Region

Growing Regions	2015/16		2016/17		2017/18	
	Area Planted (Ha)	**Percentage**	**Area Planted (Ha)**	**Percentage**	**Area Planted (Ha)**	**Percentage**
Hex River	6,154	33%	6,453	33%	6,397	30%
Orange River	5,367	29%	5,688	29%	6,147	29%
Berg River	4,237	23%	4,459	23%	5,109	24%
Northern Provinces *	1,577	8%	1,737	9%	2,096	10%
Olifants River	1,240	7%	1,337	7%	1,318	6%
Total	**18,575**	**100%**	**19,674**	**100%**	**21,067**	**100%**

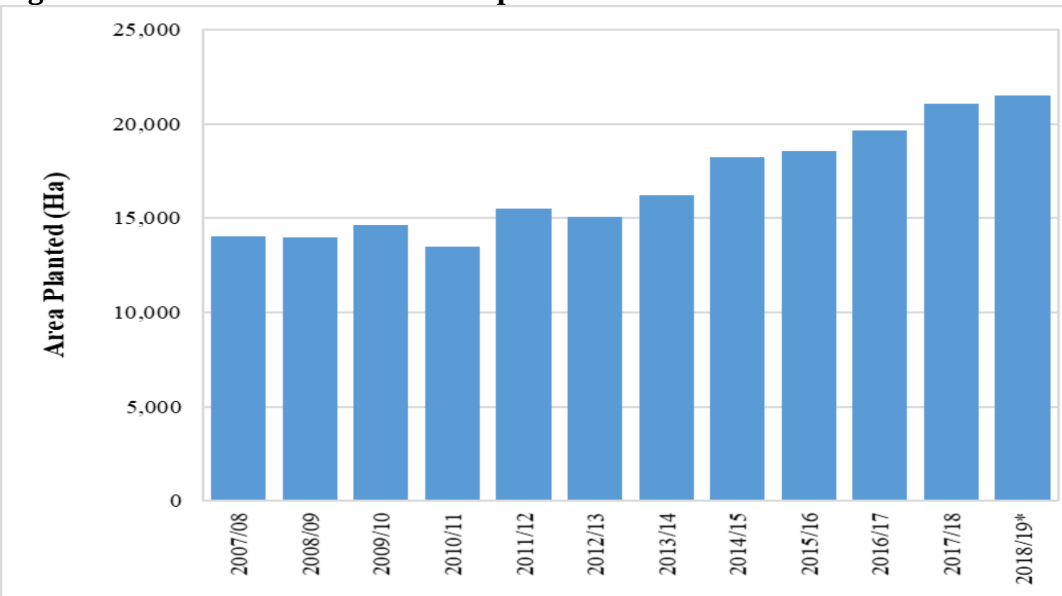
Source: South African Table Grapes Industry (SATGI)
*The Northern Province includes all the growers in the Limpopo Province.

The leading varieties of table grapes based on area planted are Crimson Seedless at 24 percent, followed by the Prime (9 percent), Thomson Seedless (8 percent), Flame Seedless (7 percent), Sugraone (6 percent), Redglobe (6 percent) and the Sugrathirteen (5 percent) variety. 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. 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.

Area Planted

The area planted to table grapes is estimated to increase by 2 percent to 21,500 hectares in the 2018/19 MY, from 21,067 hectares in the 2017/18 MY. This is based on new orchards coming into full production, and some wine grapes being converted to table grapes. For more information on wine production refer to the following South African Wine GAIN Report. **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

Consumption

Domestic consumption of table grapes is estimated to increase by 3 percent to 37,000 MT in the 2018/19 MY, from 35,761 MT in the 2017/18 MY, due to the increase in production. The supply of table grapes to the domestic market and consequently consumption in South Africa is dependent on 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 market or supplied to juice processors.

Exports

The export of table grapes is estimated to increase by 2 percent to 285,000 MT in the 2018/19 MY, from 279,680 MT in the 2017/18 MY, based on the increase in production and strong demand from the Asian markets. The EU is the leading historical export market for South African table grapes, accounting for 78 percent of table grape exports in the 2017/18 MY, and this is expected to remain the same in the 2018/19 MY. 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 (10 percent), the Middle East (4 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 12,000 MT and accounted for 4 percent of the total exports in the 2017/18 MY.

In November 2016, China revised its cold treatment protocols 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.

Table 10: 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	279,680
2018/2019*	285,000

Source: SATGI
*Estimate.

Imports

South Africa is a net exporter of table grapes, and imports are mainly to fill the gap when South Africa is out of the season or has low volumes from around July to November. Spain, Namibia and Egypt are the primary suppliers as shown in **Table 11**. The customs duties applicable to different countries are shown in **Table 12**. 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 11: South African Fresh Table Grapes Imports

South Africa Import Statistics		
Commodity: 080610, Grapes, Fresh		
Year Ending: September		
Partner Country	Unit	Quantity

		2016	2017	2018
World	T	5,968	6,885	7,589
Spain	T	2,801	2,976	3,262
Namibia	T	1,102	931	1,159
Egypt	T	1,757	2,640	2,705
Norway	T	27	0	220
Zambia	T	196	126	54
Russia	T	0	56	39
Germany	T	19	15	20
Israel	T	0	18	0
Turkey	T	20	20	0
United Arab Emirates	T	20	35	0
France	T	6	0	0
Hong Kong	T	0	19	0
Saudi Arabia	T	20	20	0
Singapore	T	0	29	0

Source: GTA

Table 12: 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 13: PSD of Fresh Table Grapes

Grapes, Fresh Table	2016/2017		2017/2018		2018/2019	
Market Begin Year	Oct 2016		Oct 2017		Oct 2018	
South Africa	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	19674	19674	21067	21067	2500	21500
Area Harvested	17200	17200	16000	16000	16500	16500
Commercial Production	334284	334284	307541	307541	330000	315000
Non-Comm. Production	0	0	0	0	0	0
Production	334284	334284	307541	307541	330000	315000
Imports	7300	6885	7900	7589	7000	7000
Total Supply	341584	341169	315441	315130	337000	322000
Fresh Dom. Consumption	37584	36885	35441	35761	37000	37000
Exports	304000	304284	280000	279369	300000	285000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	341584	341169	315441	315130	337000	322000
(HA) ,(MT)						

Policies and Regulations:

Table 14 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. For more information on regulations refer to the Food and Agricultural Import Regulations and Standards (FAIRS) 2018 Report.

Table 14: List of Key Legislations and Regulations

Policy or Regulation	Link
Agriculture Product Standards Act No 119 of 1990	http://www.nda.agric.za/doaDev/sideMenu/Food percent20Import percent20& percent20Export percent20Standard/docs/Agric percent20Product percent20Standards percent20Act percent20No percent20119 percent20 percent20of percent201990.pdf
Agricultural Pests, Act, 36 of 1983	**Agricultural Pests Amendment Act, 9 of 1992** http://www.nda.agric.za/doaDev/sideMenu/APIS/doc/Agricultural percent20Pests percent20Act.pdf
Foodstuffs, cosmetics and disinfectants Act 54 of 1972	http://www.nda.agric.za/vetweb/Legislation/Other percent20acts/Act percent20- percent20Foodstuffs, percent20Cosmetics percent20and percent20Disinfectants percent20Act-54 percent20of percent201972.pdf
Procedures for exporting to South Africa	http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/importProcedure.pdf.
Maximum Residue Limits	http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Food-Safety-Quality-Assurance/Maximum-Residue-Limits
Regulations relating to standards, grading, packing and marking	**Apples** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Apples_regulations.pdf **Pears** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/Pears_regulations.pdf **Grapes** http://www.nda.agric.za/doaDev/sideMenu/foodSafety/doc/localImportRegulations/gg35395 percent20nn422 percent20APS percent20table percent20grapes.pdf

Source: South African Department of Agriculture Fisheries and Forestry (DAFF)

Prices

The apple and pear prices shown in **Table 15** 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.

Table 15: Price of Apples and Pears

	APPLES			**PEARS**		
	Local Market	**Export Market**	**Processed Market**	**Local Market**	**Export Market**	**Processed Market**
Season	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**	**(R*/Ton)**
2003/2004	2,109	3,794	336	1,977	4,059	495
2004/2005	2,310	3,638	341	2,128	3,861	491
2005/2006	2,580	3,791	373	2,304	3,786	573
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

Source: HORTGRO
*1US$ = R14.

Information on table grape prices is unavailable.