



National Agricultural  
Marketing Council  
Promoting market access for South African agriculture

# Markets and Economic Research Centre



# SA Fruit Trade Flow

# SOUTH AFRICAN FRUIT TRADE FLOW

Issue No. 15: September 2014



Beautiful country, beautiful fruit

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## Table of Contents

1. Background.....	1
2. Stone fruit seasonal overview: 2013/2014.....	1
2.1 Global plum production: 2013/2014 season.....	1
2.2 Global apricot production: 2013/2014 season.....	2
2.3 Global peach and nectarine production: 2013/2014 season.....	3
2.4 Stone fruit exports performance in 2013/2014 season.....	3
2.5 Domestic market performance for stone fruit in 2013/2014 season.....	4
3 Subtropical fruit seasonal overview: 2013/2014.....	6
4 Dried grapes seasonal overview: 2013/2014.....	8
4.1 Global dried grapes production: 2013/2014 season.....	8
4.2 Global dried grapes trade performance in 2013/2014 season.....	9
4.3 Dried grapes domestic industry performance: 2013/2014 season.....	9
REFERENCES.....	12
USEFUL LINKS: .....	12

## 1. Background

South Africa's diverse weather and climatic conditions enable the country to cultivate and produce a variety of fruits. The country is known globally as a producer and exporter of quality citrus, deciduous and subtropical fruits. This issue of the Fruit Trade Flow Publication looks at stone fruits (specifically plums, apricots, nectarines and peaches), subtropical fruit (specifically litchis) and dried grapes. The main focus is to analyse the performance of these selected fruits, on both export and domestic markets in the 2013/2014 season in comparison to the previous season. This report also assesses the global production of these fruits and offers a perspective on South Africa's global production and export rankings.

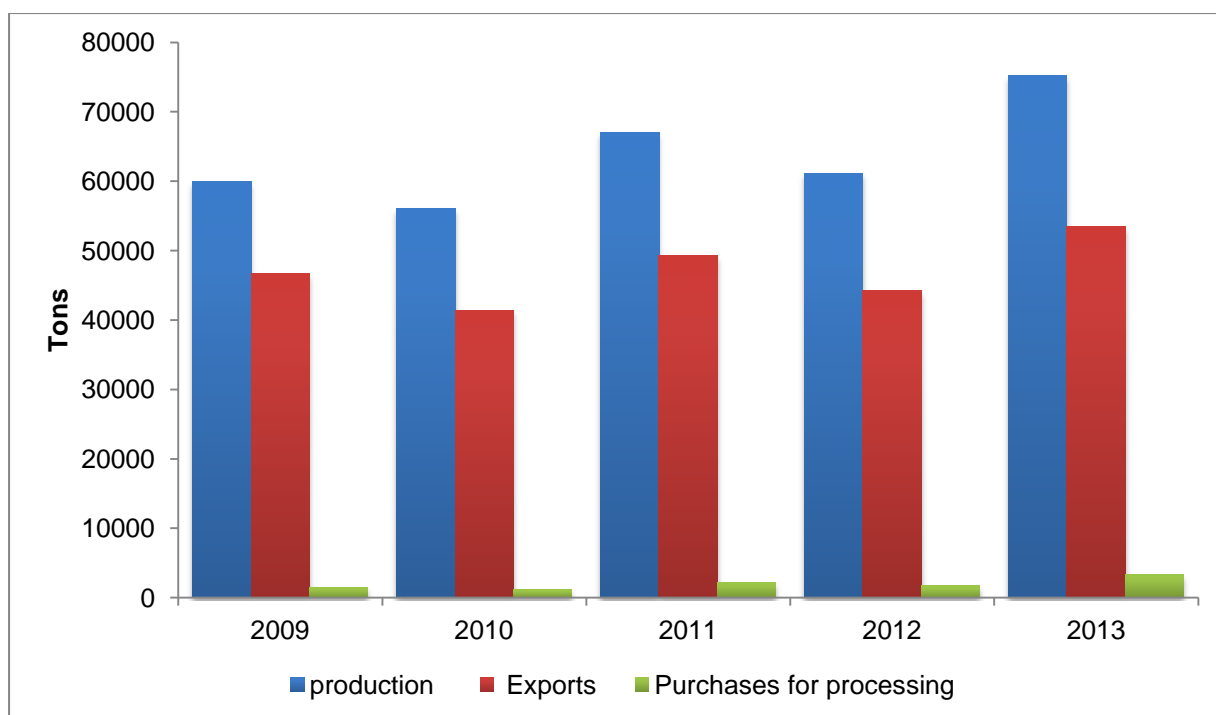
## 2. Stone fruit seasonal overview: 2013/2014

The stone fruit industry is comprised of fruits such as plum, peaches, apricots and nectarines. The focus of this report is on plums, peaches and apricots fruits. It is important to note that plums constitute the largest share on both production and exports of stone fruits in South Africa. The next sections provide a detail performance analysis of plum, apricots, peaches and nectarines in the 2013/2014 season.

### 2.1 Global plum production: 2013/2014 season

China, with 6 million metric tons, and Romania, with 400 thousand metric tons, are the first and second world's leading producers of plums respectively in 2013/2014 season. Of the southern hemisphere countries, Chile and Australia are biggest producers of plums, producing approximately 300 and 150 thousand metric tons respectively in the reviewed season. It has been noted that South Africa's production of plum has increased by 26 % between 2009 and 2013. The growth in production can be attributed to a very successful consumer educational campaign commissioned by the plum industry in the international markets covering the United Kingdom and selected European markets. The successful campaign has promoted higher demand for South African plums, subsequently increasing production.

**Figure 1** shows the production of plums in South Africa between the 2009/2010 and 2013/2014 seasons. The South African plum production has increased from 60 thousand tons in 2009/2010 to nearly 80 thousand tons in 2013/2014 season. From the figure, it is also clear that the biggest share of plum production is destined for the export market, while the remainder is consumed as fresh produce and with the least production share dedicated for processing. The most cultivated plum varieties in South Africa include Laetita, Songold and Sappire.

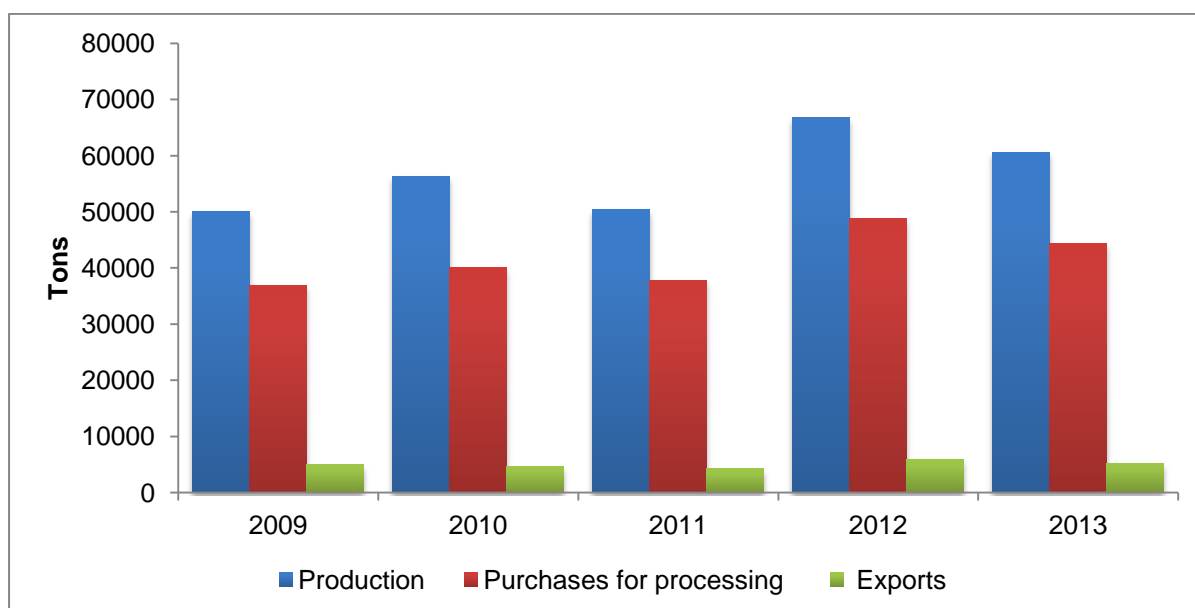


**Figure 1:** South African plum production distribution

**Source:** Quantec, 2014

## 2.2 Global apricot production: 2013/2014 season

World production of apricots stood at 3.9 million metric tons in 2013 with Turkey, Iran and Uzbekistan being the leading producers (FAO, 2014). Of the southern hemisphere countries, South Africa remained the leading producer of apricots followed by Argentina and Chile. South African apricot production in 2013 stood at 60 metric thousand tons, with an increase of 20 % from 2008. Of the produced apricots approximately 72 % is purchased for processing and 9 % is destined for the export markets (**see Figure 2**). The most produced apricot varieties in South Africa are Bulida (50 %), Soldonne (11 %) and Imperial (9 %).



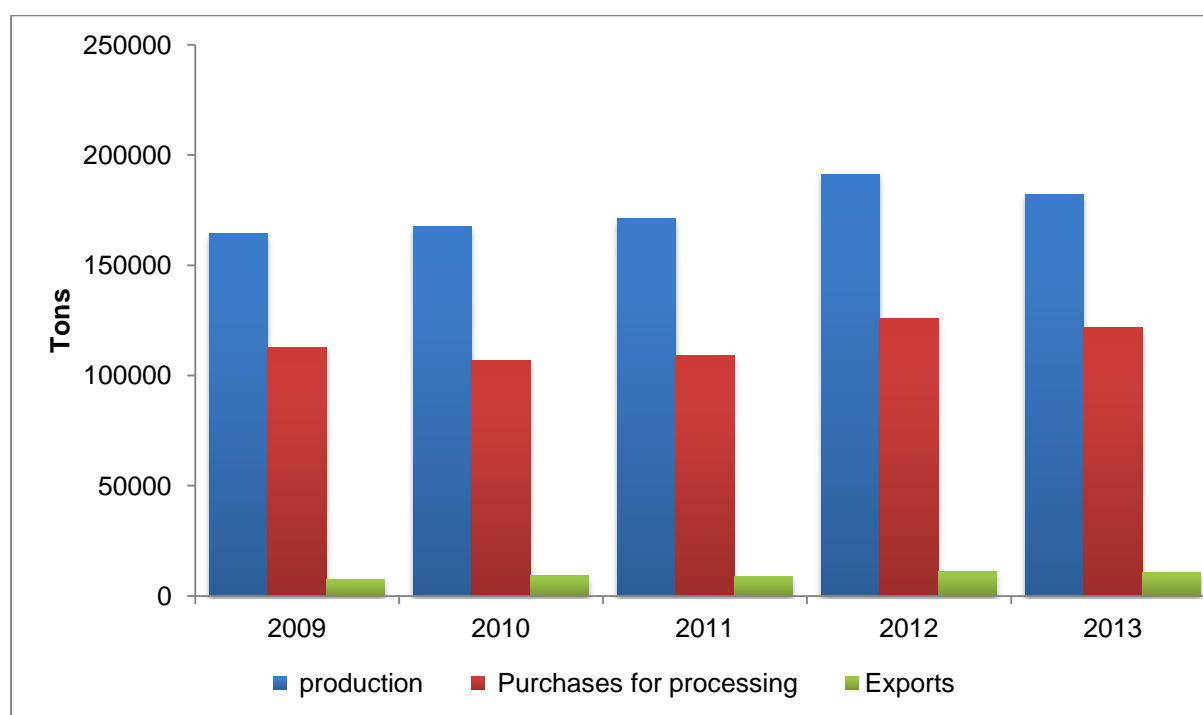
**Figure 2:** South African apricot production distribution

**Source:** Quantec, 2014

### 2.3 Global peach and nectarine production: 2013/2014 season

World production of peaches and nectarines stood at 21 million metric tons in 2013 (FAO, 2014). In 2013, China was the largest producer of peaches and nectarines, accounting for approximately 56 % of world production share, followed by Italy (6 %) and the USA (5 %). Of the southern hemisphere countries, Chile (with the production of 325 000 metric tons) was the largest producer of peaches and nectarines, followed by Argentina (290 000 metric tons) and Brazil (290 000 metric tons). South African peaches and nectarines production stood at 181 metric thousand tons in 2013 which grew by 2.8 % year on year between 2008 and 2013 (see Figure 3).

On average about 66% South Africa's total production of peaches and nectarines are processed and nearly 5% are exported annually, with the remainder consumed in the local market as a fresh product. The Klein Karoo area is a leading producer of peaches and nectarines in South Africa followed by the Ceres area. Keisie, Kakamas and Sandvliet were the most produced peach varieties in South Africa. The most planted nectarine varieties are Alpine, Experimental and August Red.



**Figure 3:** South African peaches production distribution

**Source:** Quantec, 2014

### 2.4 Stone fruit exports performance in 2013/2014 season

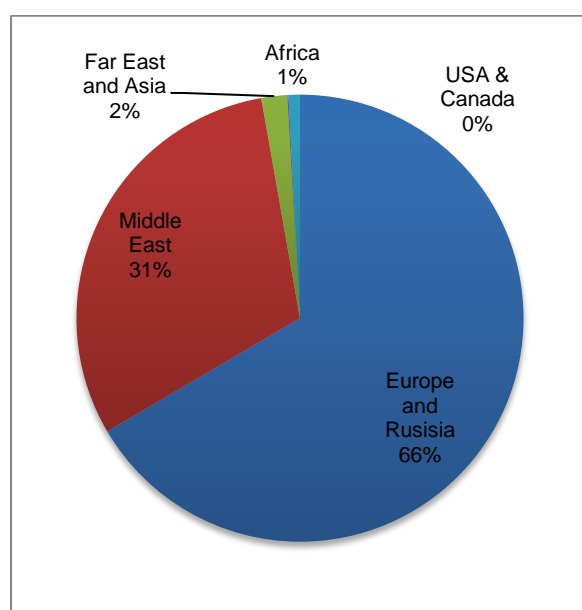
In the light of a weak exchange rate, South African exporters are generating higher income from exporting stone fruits; however, a constant increase in input prices flattens weak exchange rate benefits. Of the South African stone fruit exports, plums were the most exported followed by peaches and nectarine exports. Peach exports showed the fastest export rate among the stone fruits, growing at 57 % between 2010/2011 and 2013/2014 seasons (see Table 1). The next section explains the specific destination markets for South African stone fruit exports in the 2013/2014 season.

**Table 1:** Stone fruit passed export inspection

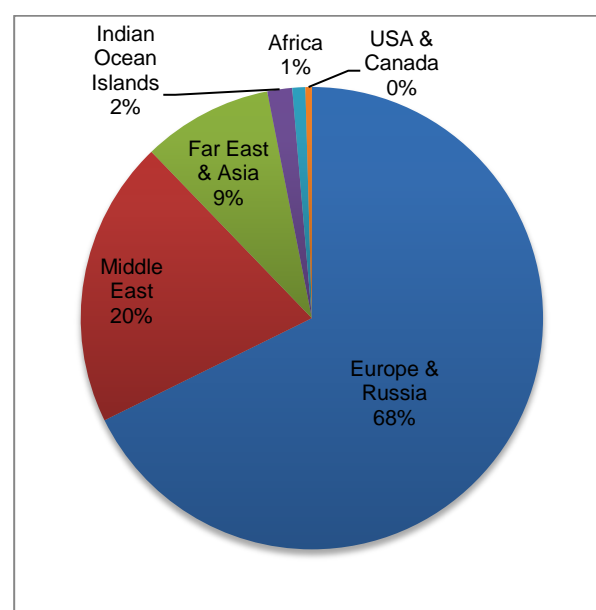
	2010/2011	2011/2012	2012/2013	2013/2014
Apricots (4.5 kg carton)	882 100	1 283 656	1 111 097	971 581
Nectarines(2.5 kg carton)	2 517 056	3 359 359	3 098 945	2 949 207
Peaches (2.5 kg carton)	997 526	1 197 427	1 382 637	1 570 950
Plums (5.3 kg carton)	9 394 683	9 526 098	11 350 454	10 507 859
<b>Grand Total</b>	<b>13 791 365</b>	<b>15 366 540</b>	<b>16 943 133</b>	<b>15 999 597</b>

**Source:** Hortgro, 2014

The data analysis shows that of the total South African apricot exports that were passed for exports in the 2013/2014 season, approximately 66 % was destined for the European and Russian markets (**see Figure 4**). In relation to South African plum exports, they are predominantly destined to Europe and Russia (collectively accounting for 68 % of total exports), followed by the Middle East, which absorbed 20 % of total exports (**see Figure 5**). Peaches and nectarine exports in 2013/14 season were predominantly destined for Europe, Russia and the Middle East.



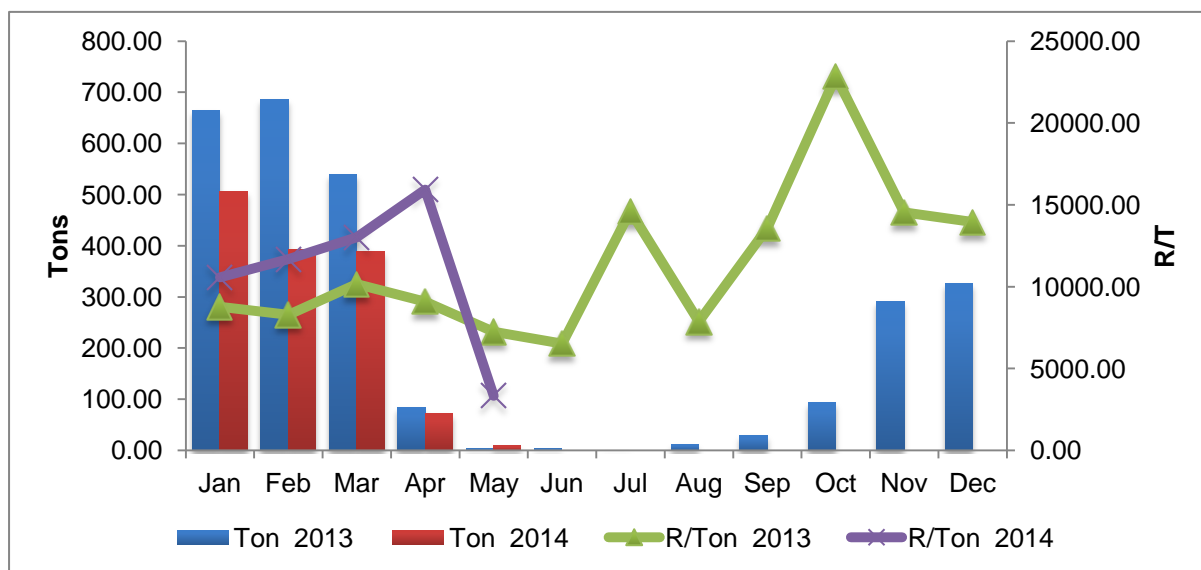
**Figure 4:** Apricot export destinations  
**Source:** Quantec, 2014



**Figure 5:** Plum export destinations  
**Source:** Quantec, 2014

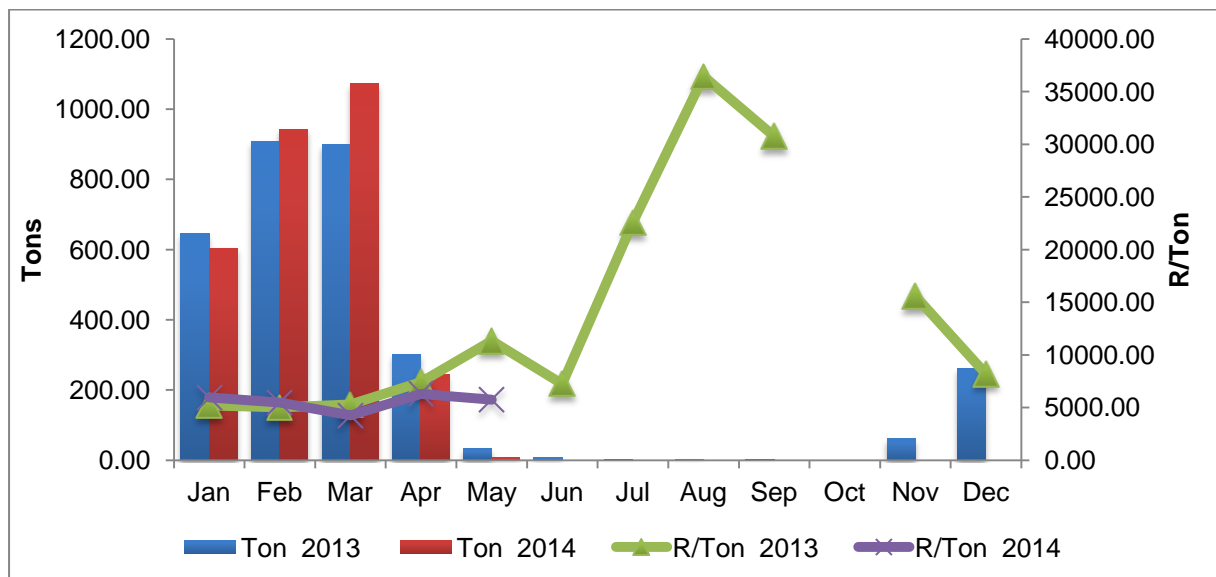
## 2.5 Domestic market performance for stone fruit in 2013/2014 season

**Figure 6** shows domestic peach sales between January and May of 2014 and the graph compares this with the previous year in the same period. For both 2013 and 2014, peaches are available in large quantities between January and March. According to **Figure 6**, peach volumes sold in January of 2014 were 24 % lower than peach volumes sold in the same period of the previous year, which raised the price by a rate of 20 % in comparison to last year. The same was true for February, March and April; fewer quantities were sold in the market, which pushed prices up.



**Figure 6:** South African domestic sales of peaches  
**Source:** DAFF, 2014

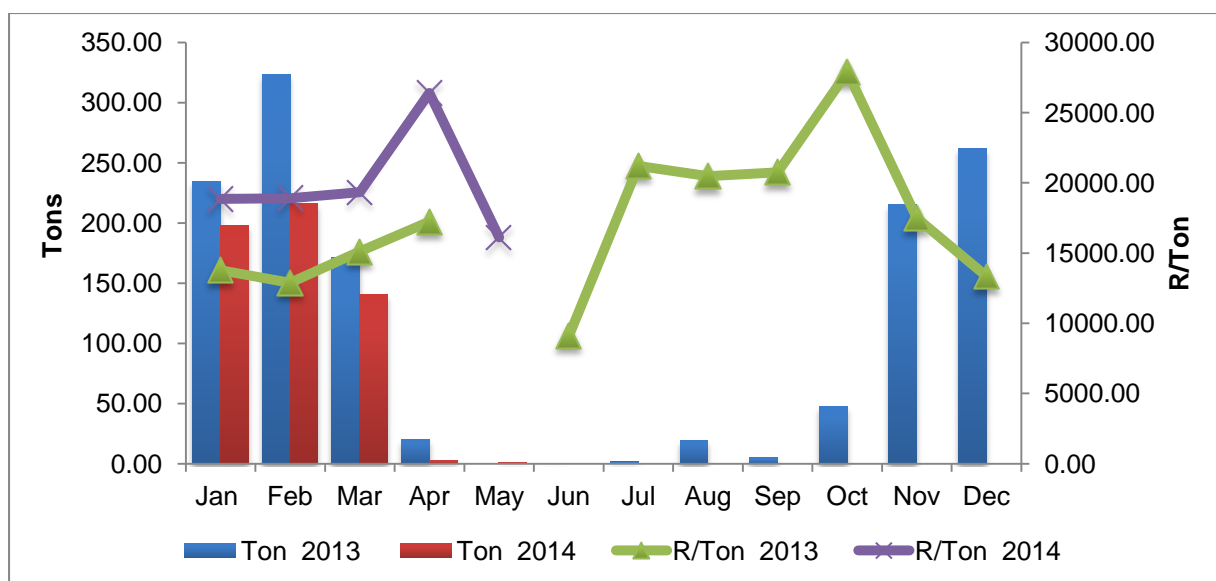
**Figure 7** highlights plum sales on the domestic market. Similar to peaches, the bulk of plums are sold between December and April, which indicates the peak season of the stone fruit industry. Plum prices per ton were higher for January and February 2014 compared to the same months in 2013, but prices fell by 20 % and 15 % for March 2014 and April 2014 respectively in comparison to the previous year (see **Figure 7**).



**Figure 7:** South African domestic sales of plums  
**Source:** DAFF, 2014

Nectarine sales declined in quantities in 2014 as compared to 2013 (see **Figure 8**). The decline in nectarines can be associated with a slightly increase in nectarine volumes relocated to the export market due to lucrative export prices triggered by a weaker exchange rate.



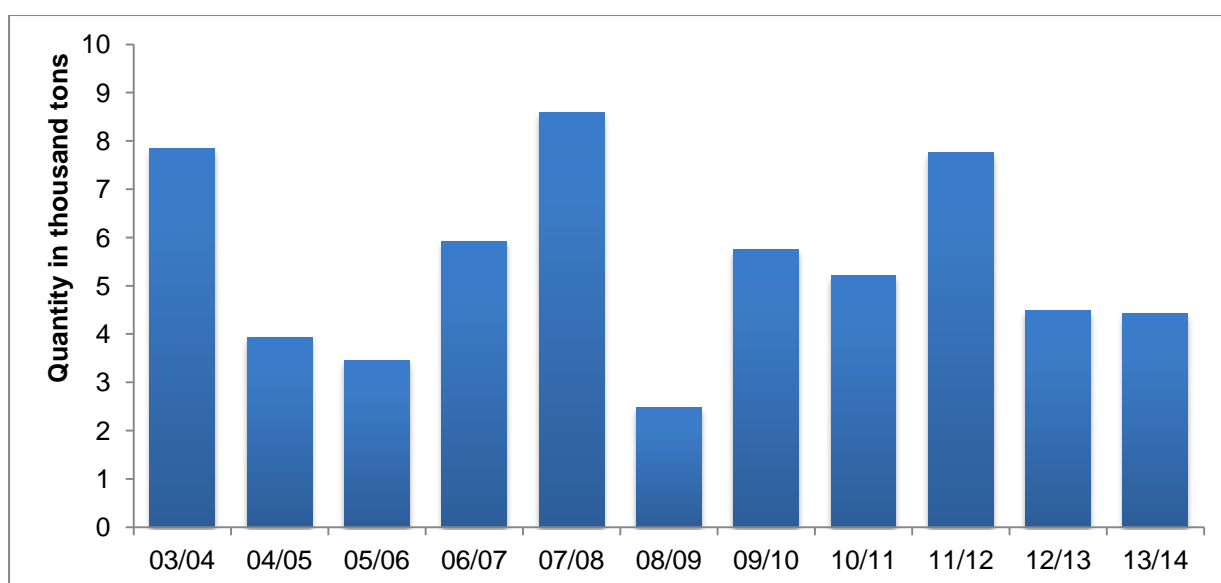


**Figure 8:** South African domestic sales of nectarines  
**Source:** DAFF, 2014

### 3 Subtropical fruit seasonal overview: 2013/2014

The subtropical industry fruit is largely dominated by avocado, mango, litchi and other subtropical fruits. This report focuses on litchis. Litchi production is very important in South Africa as it contributes significantly to the growing fruit juice industry of the country.

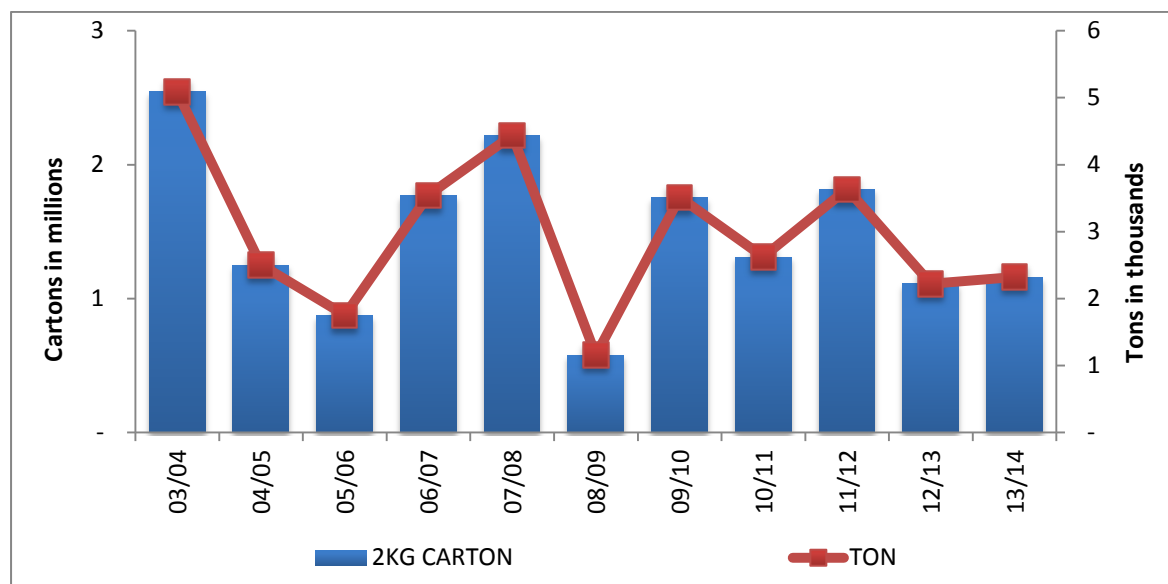
The South African litchi fruit season commences in October and runs until February. Total litchis produced were measured at 4.4 thousand tons in 2013/2014. **Figure 9** shows the trend for litchi fruit produced over a period of 10 years. The production of litchis showed a significant decline from 7.7 thousand tons in 2011/2012 seasons to 4.4 thousand tons for 2013/2014 season. The decline was attributed by unfavourable weather conditions and the occurrence of diseases. Of the total litchi production, 53 % is exported, 27 % is directed for juice processing and 21 % is sold on local markets. This indicates that more than 50 % of litchi production is destined for the international market.



**Figure 9:** Litchi production  
**Source:** Subtrop, 2014



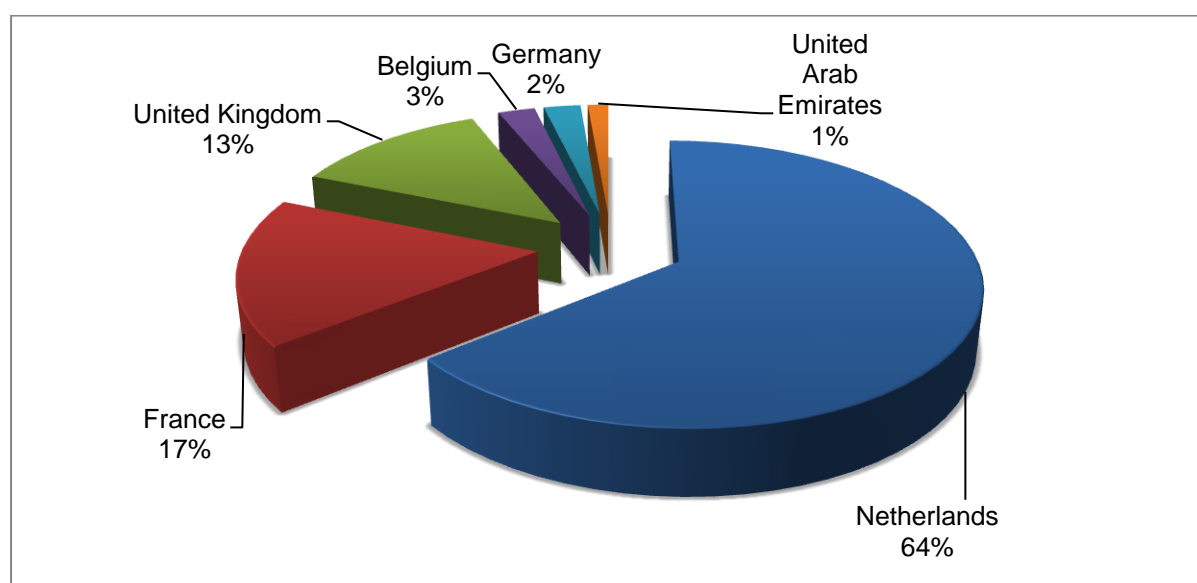
**Figure 10** shows South Africa's litchi export from 2003/2004 season to 2013/2014 season. Litchi exports have not been showing any stability under the review period which is attributed to the instability of South African litchi production and volatile food market. South Africa litchi producers sold a total volume of 1.16 million cartons (1 carton = 2 kg) in the international market in 2013/2014 season.



**Figure 10:** Litchi export trend

**Source:** Subtrop, 2014

**Figure 11** shows South Africa's litchi exports to the top five markets in the 2013/2014 season. The Netherlands is the largest destination market for South Africa, accounting for 64 % of total exports in 2013/2014 season. France is in second position with a 17 % share, followed by the United Kingdom with a share of 14 % in the 2013/2014 season.



**Figure 11:** Export market for litchis

**Source:** World Trade Atlas, 2014

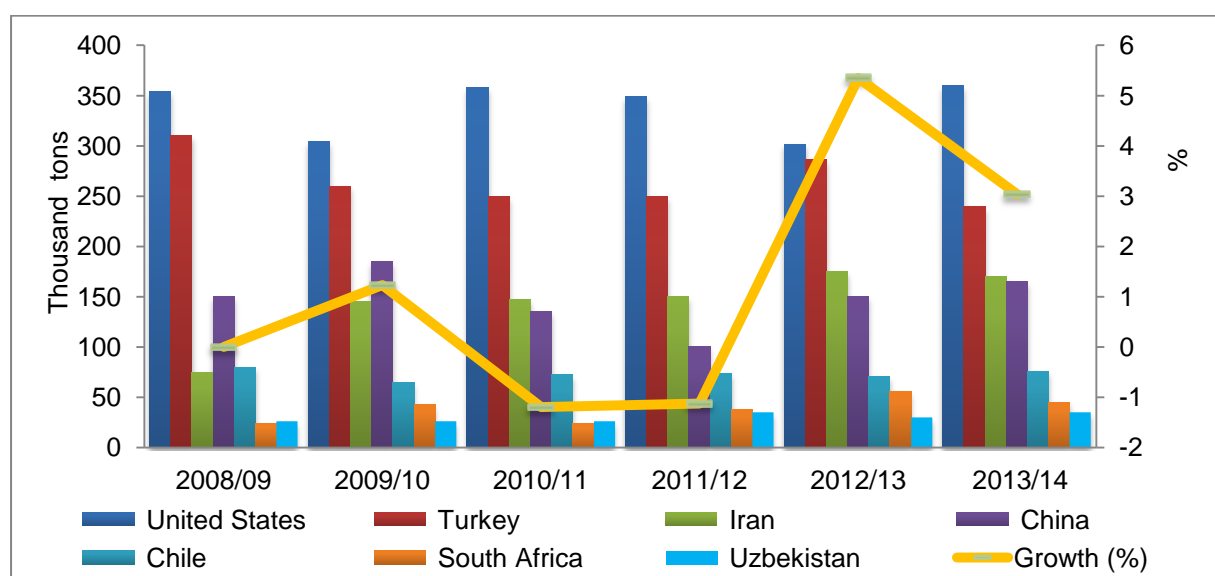
## 4 Dried grapes seasonal overview: 2013/2014

### 4.1 Global dried grapes production: 2013/2014 season

The global production of dried grapes was quantified at 1.2 million metric tons in the 2013/2014 season with an increase of 3.3 % compared to the previous season. The increase in dried grapes production was mainly attributed to increased production in countries such as United States of America, China and Chile (FAO, 2014).

The USA is the largest producer of dried grapes in the world's market. In the 2013/2014 season, the USA produced a total volume of 360 thousand metric tons of dried grapes with significant increase of 19 % in comparison to the previous season. The increase of production was attributed to the favourable climatic conditions for the current season.

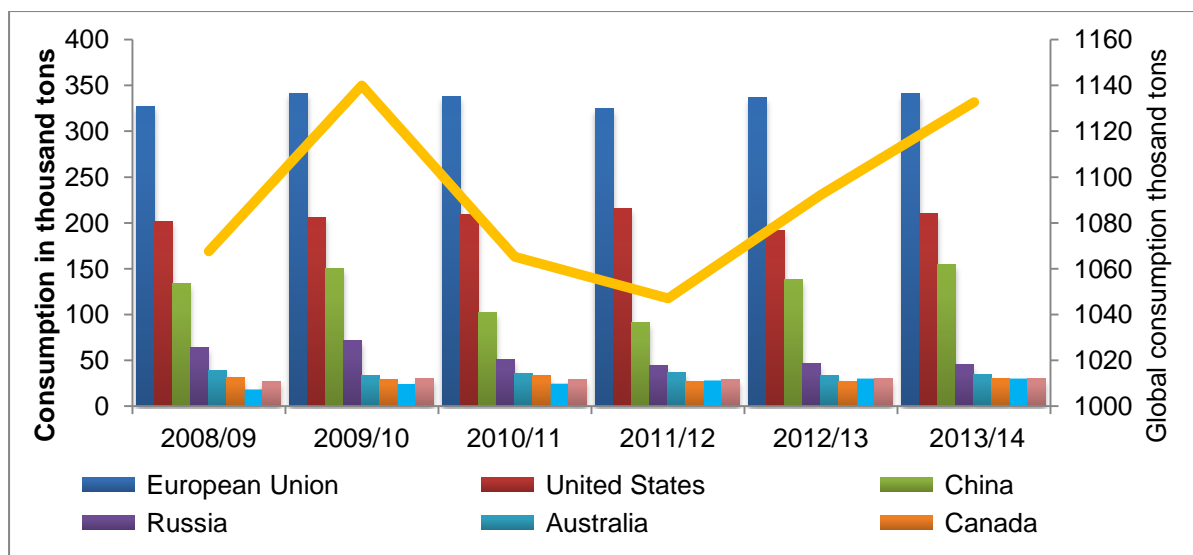
Turkey was the second largest producer of dried grapes with a total volume of 240 thousand metric tons in the 2013/2014 season. During the 2013/2014 season, dried grapes production showed significant decline of 16 % which was attributed by unfavourable weather conditions. Iran, China and Chile are among the top five producers with a total volume of 170 thousand metric tons, 165 metric tons and 76 thousand metric tons respectively in the 2013/2014 season (see Figure 12).



**Figure 12:** World's leading producers of dried grapes

**Source:** USDA FAS, 2014

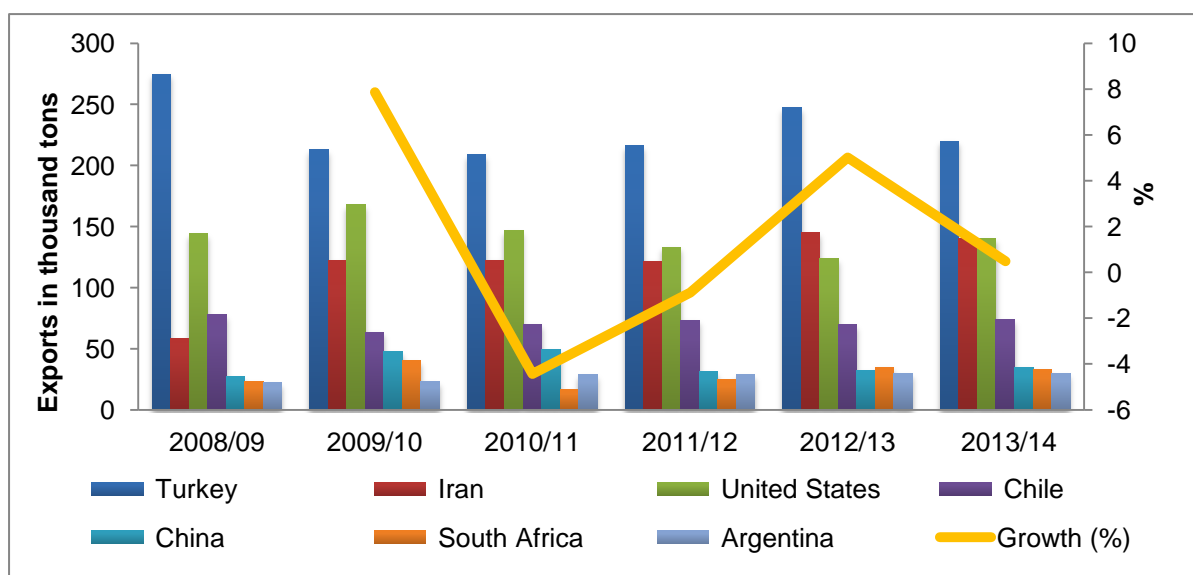
**Figure 13** shows the main countries that consume dried grapes in the global market. In the global market, consumption was estimated at total of 1.13 million metric tons in the 2013/2014 season from 1.09 million tonnes in the 2012/2013 season. The EU market was the largest consumer of dried grapes with total volume of 341 thousand metric tons. The USA was the second largest consumer with a total volume of 210 thousand metric tons, followed by China with a total volume of 155 thousand metric tons and Russia with a total of 45 thousand metric tons for the 2013/14 season.



**Figure 13:** Global consumption of dried grapes  
**Source:** USDA FAS, 2014

#### 4.2 Global dried grapes trade performance in 2013/2014 season

**Figure 14** show global export trends of dried grapes and it was estimated that a total volume of 742 thousand metric tons was exported for the 2013/2014 season. The main exporters of dried grapes includes Turkey, Iran and USA with a total volume of 140 metric thousand tons, 140 thousand tons and 74 metric thousand tons for 2013/2014 season respectively. It is important to note that exports from Turkey showed a significant decline of 11 % between the 2012/2013 and 2013/2014 seasons.



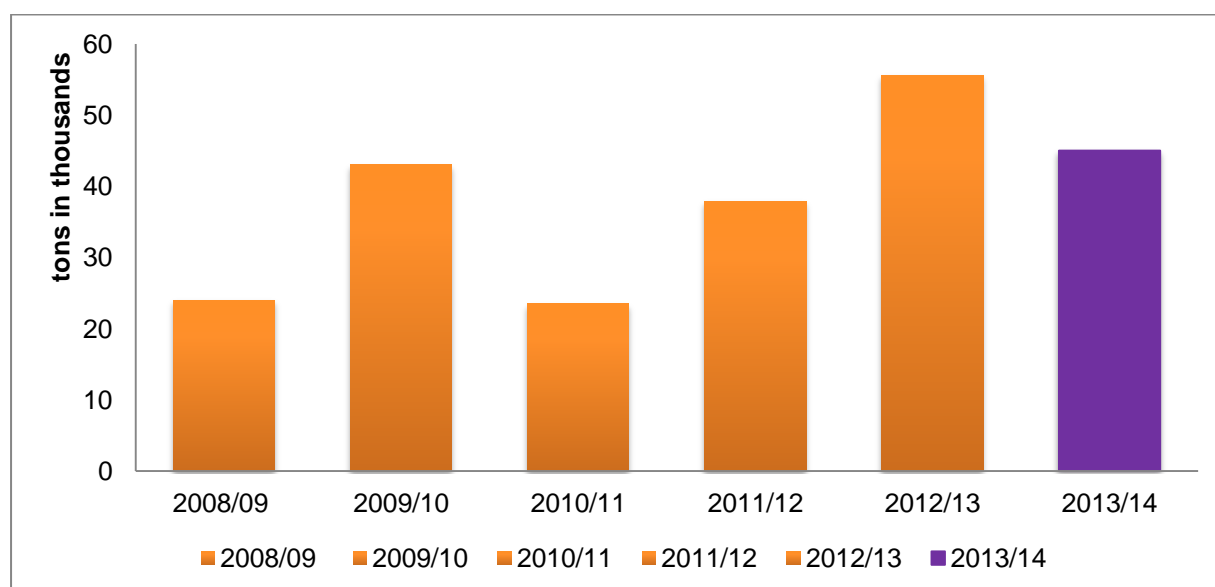
**Figure 14:** Main exporters of dried grapes  
**Source:** USDA FAS, 2014

#### 4.3 Dried grapes domestic industry performance: 2013/2014 season

South African dried grapes industry is estimated to produce an average production of 40-50 thousand tonnes per annum. As a sixth largest producer in the world, South Africa has been

regarded as a producer of high quality dried grapes for export markets. About 58.3 % of dried grapes cultivars are grown in the Northern Cape along the areas that include Namaqualand and Orange River and the rest of dried grapes cultivars are grown in the Western Cape. The country's total production of dried grapes is estimated at 45 thousand tons for the current season which is a decline from 55.6 thousand tons of the previous season (see Figure 15).

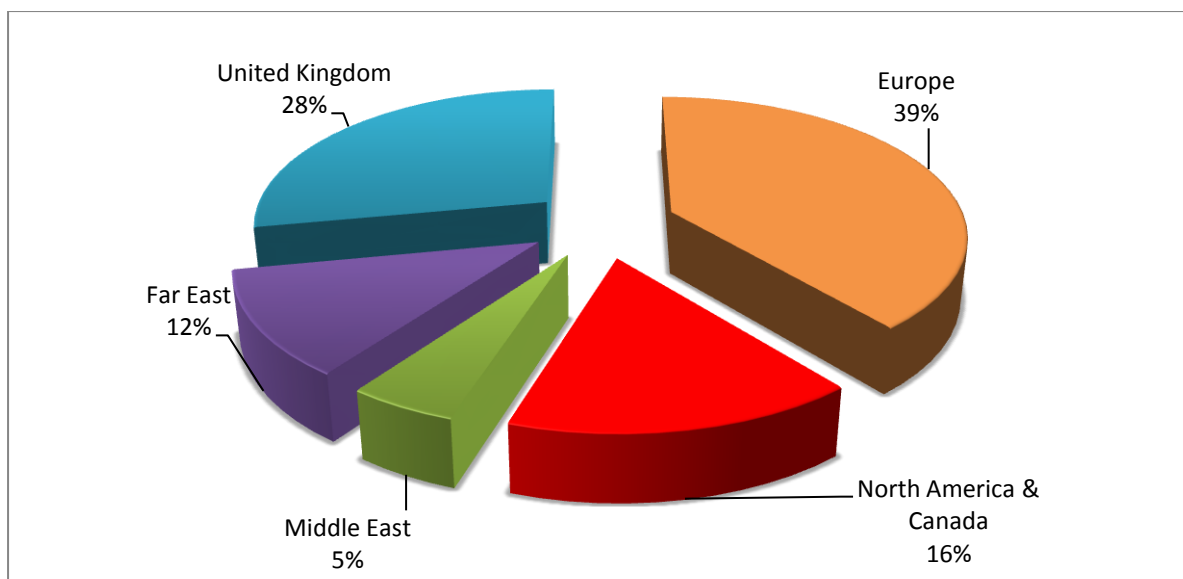
**Figure 15** indicates the production of dried grapes over a 6 year period in South Africa. The production has not been stable, which is mainly attributed to flooding and other weather related conditions. The growth in production showed a significant increase between 2008/2009 and 2013/2014, which has been recovering from drought.



**Figure 15:** South Africa dried grapes production

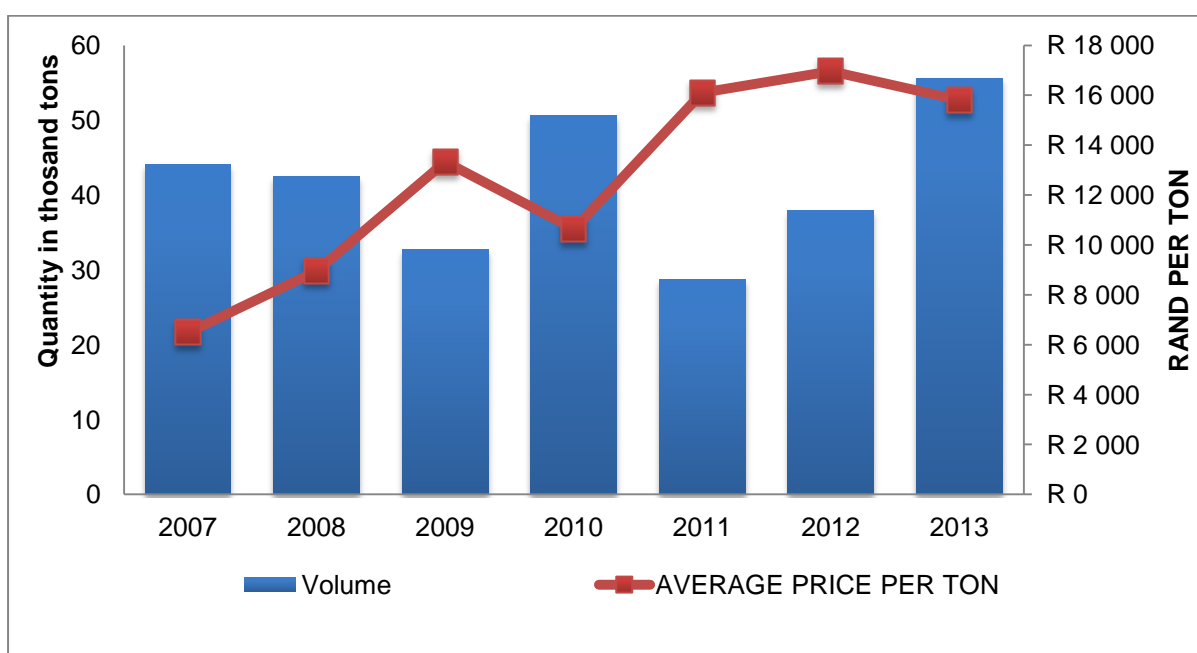
**Source:** USDA, FAS, 2014 and Hortgro, 2014

**Figure 16** shows the market destination for South African dried grapes exports in the 2013/2014 season with a total of 40 thousand tonnes exported. Europe was the largest market with a share of 39 %, followed by the UK with 28 % share and North America and Canada with a share of 16 % for the 2013/2014 season



**Figure 16:** Market destination for South Africa dried grapes  
**Source:** Hortgro, 2014

**Figure 17** indicates the historical price trend and dried grapes quantities sold in the domestic market between 2006 and 2013. The price of dried grapes showed a decline in 2013 in the local market, which was attributed to excess of production in the local market in comparing with the previous season.



**Figure 17:** Historical price trend of dried grapes

**Source:** Hortgro, 2014

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- Hortgro, 2014. *Dried grapes production and export data*. Information and Division, Paarl, Western Cape, South Africa
- Subtropical Fruit Industry. 2014. *Subtropical production and export data*. Information and Division, Tzaneen, Limpopo, South Africa.

## USEFUL LINKS:

Bureau for Food and Agricultural Policy (BFAP)	<a href="http://www.bfap.co.za">www.bfap.co.za</a>
Citrus Growers' Association (CGA):	<a href="http://www.cga.co.za">www.cga.co.za</a>
Department of Agriculture, Forestry and Fisheries (DAFF):	<a href="http://www.daff.gov.za">www.daff.gov.za</a>
Food and Agriculture Organisation:	<a href="http://www.fao.org/docrep/">www.fao.org/docrep/</a>
Fresh Produce Exporters' Forum (FPEF):	<a href="http://www.fpef.co.za">www.fpef.co.za</a>
Hortgro Services:	<a href="http://www.hortgro.co.za">www.hortgro.co.za</a>
National Agricultural Marketing Council (NAMC):	<a href="http://www.namc.co.za">www.namc.co.za</a>
Perishable Products Export Control Board (PPECB):	<a href="http://www.ppecb.com">www.ppecb.com</a>
Quantec Database	<a href="http://www.quantec.co.za">www.quantec.co.za</a>
South African Subtropical Growers' Association (Subtrop):	<a href="http://www.subtrop.co.za">www.subtrop.co.za</a>
South African Table Grape Industry (SATI):	<a href="http://www.satgi.co.za">www.satgi.co.za</a>

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