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SOUTH AFRICAN FRUIT TRADE FLOW

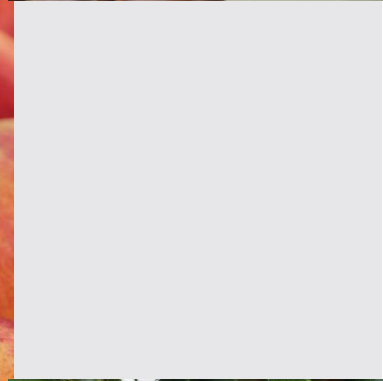
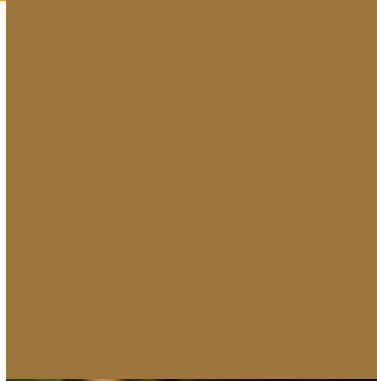
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SOUTH AFRICAN FRUIT TRADE FLOW

Issue No. 55: September 2024



Beautiful country, beautiful fruit

Compiled by Buhlebemvelo Dube, Lesedi Mokoena, Solly Molepo, Lucas Moswane, Maremo Mphahlele, Thabile Nkunjana, and Bhekani Zondo

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1. Background

South Africa's diverse weather and climatic conditions across provinces enable the country to cultivate and produce a variety of fruits for domestic and international markets. The country is known as a key producer and exporter of citrus, deciduous and subtropical fruits. This issue of the Fruit Trade Flow Report looks at berries, avocados, table grapes, kiwis as well as pome fruits. The report assesses the performance of these fruits in the current season and unpacks factors that allow South Africa to successfully supply both domestic and international markets. The report follows a trend analysis approach, comparing the 2024 fruit season with the 2023 season.

2. Analyzing South Africa's Blueberry Trade Performance and Market Dynamics in the 2023/24 season

By Buhlebemvelo Dube

2.1 Introduction

South Africa is one of the most dominant fruit exporters in the global market, and is the biggest fruit exporter in the Sub-Saharan region with its major export destination being in the EU (European Union), UK (United Kingdom), Russia, Middle-East, USA (United States of America), and Africa. Fresh fruits account for more than 35% of exports and South Africa generates almost \$3.5 billion in export revenues (FPEF, 2024), which underscores the value of fruit trade to the South African economy. The blueberries which fall under exotic fruits category have the smallest share (3%) in exports compared to citrus fruits (54%), pome fruits (16%), table grapes (16%), stone fruits (6%), and subtropic fruits (5%), nonetheless, blueberries are well placed to grow exponentially in some new markets as there is a strong demand for fresh consumption of blueberries. The global blueberry production is currently at 1.23 million metric tonnes and, according to BFAP (2023) on the blueberry trade dynamics, regions with the highest consumption are USA (34%), EU (21%), China (17%), UK (5%), as well as Canada (5%).

2.2 Blueberry production in South Africa

Blueberry production in South Africa is growing rapidly and is fairly emerging with a contribution of at least 2% to the total in the global production, thus it still has areas of improvement given the conducive climatic conditions in the country, especially in the

Western Cape in areas such as the Cape Winelands, Garden Route, Overberg, and West Coast.

Nonetheless, in Africa, South Africa is the largest producer of blueberries with a share of 75%, followed by Zimbabwe, Namibia, and Zambia. **Figure 1** below is a pie chart of the major blueberry producers in Africa.

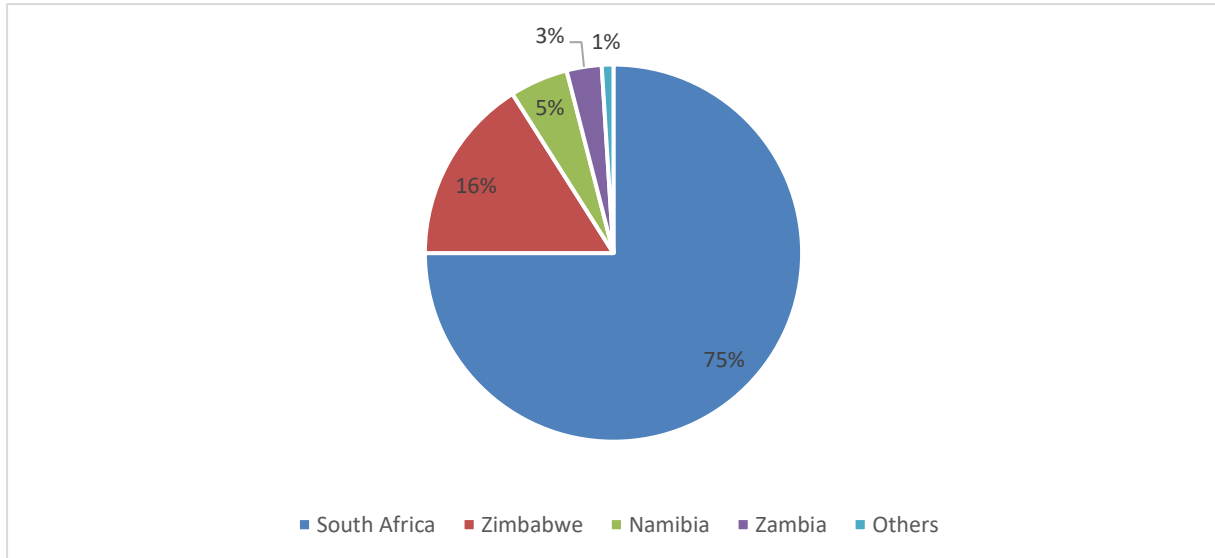


Figure 1: Blueberry production in Africa
Source: (IBO, 2023)

The South African blueberry calendar commences around late June right up to late February and the summer season normally starts in October right to late February. Thus, the industry is positioned to compete effectively as a supplier to the Northern Hemisphere markets due to its advantageous production calendar. The past four years have seen an increase of at least 26 160 tonnes from 20 540 tonnes in 2020 to 46 700 tons in 2023, and an increase of 8 541 tonnes (year-on-year) from 38 159 tonnes in 2022. **The figure 2** below, highlights the major producing areas in South Africa from a provincial perspective.

The province with the highest share (%) in terms of production is the Western Cape (50%), followed by Limpopo (30%), then North-West (13%), Mpumalanga (3%), Eastern Cape (2%), and other provinces follow (2%). In terms of the areas under production, Western Cape has 1 432ha, Limpopo (833ha), North-West (242ha), Mpumalanga (83ha), Eastern Cape (58ha), and the rest of the provinces 54ha (Bekker, 2024).

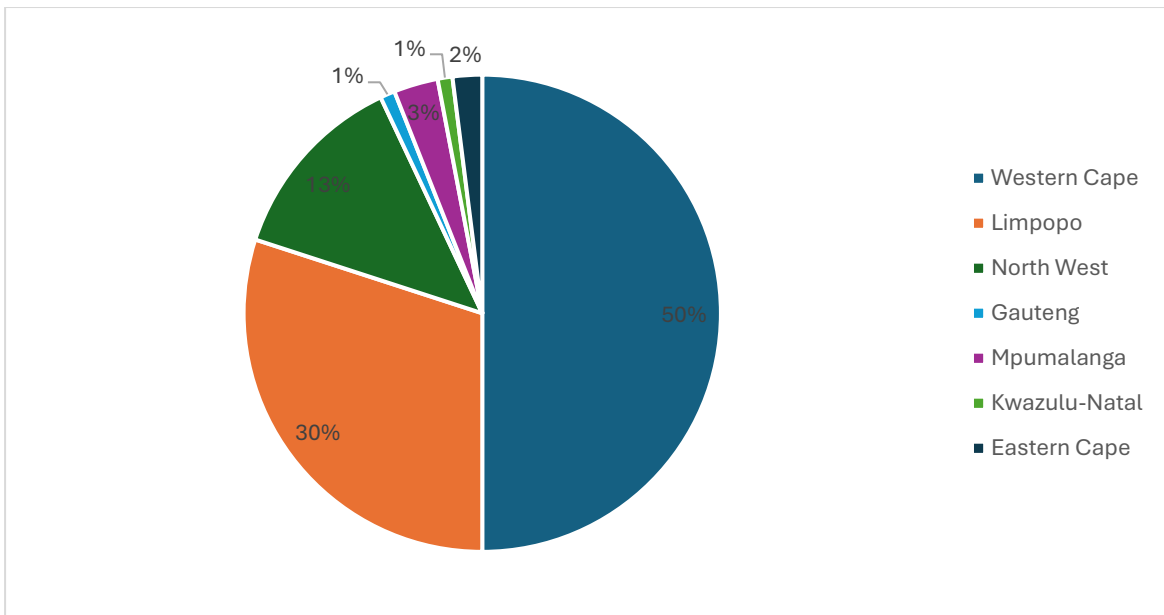


Figure 2: Pie chart of the major blueberry production areas in South Africa
 Source: (BerriesZA, 2024)

2.3 Trade performance analysis of South African blueberries

The market access for South African blueberries has been relatively tough given that the global market is intensely competitive and prevalent exporters such as Peru, Netherlands, Spain, Chile, Morocco, USA, Mexico, and Canada, still dominate the industry with South Africa following closely. Moreover, blueberries face tight competition from other exotic fruits such as raspberries, cherries, pomegranates, and figs. Blueberries outpace most of these fruits in terms of convenience and versatility thus are increasingly becoming more favourable. South African blueberry producers are export-orientated and export 70-90% of blueberries produced, the major destinations are the EU (62%), followed by UK (27%), and the Middle-East (6%), as well as the Far East and Asia (5%). The past few years have seen an increase in the number of blueberry exports to 26.3 (000) MT and the upward trajectory is forecast to remain solid.

Existing free trade agreements with the EU and UK such as the Economic Partnership Agreement (EPA) provide ample opportunities for domestic producers to access lucrative markets thus capitalising on the increasing demand and exporting more blueberries at zero tariffs. The growth in exported value between 2022 and 2023 was 11% per annum (p.a) and for the past five years it's been 20% (TradeMap, 2024). Interestingly, Qatar has had the highest growth in export value for the past five years

at almost 91% p.a, followed by Russia at 90% p.a, and China at 85% p.a, thus suggesting expanded markets opportunities.

The South African exports to African countries have been minimal with the exception of Mauritius which has imported almost 0.1 (000) MT and that is almost 37% of all blueberry exports that South Africa exports to Africa. It also has a growth in export value of 101% p.a (year-on-year), and the growth in export value for the past five years has been 45% p.a (TradeMap, 2024). The AfCFTA (African Continental Free Trade Area) agreement can possibly unlock potential markets in Nigeria and Uganda which have a high potential. South Africa does not import much, unless when there are shortages for processors in the agro-food value-chains, and some of the close suppliers tend to be Zimbabwe, Zambia, and Namibia which supplied almost 0.61 (000) MT in 2023.

The figure 3 below shows the historical blueberry exports for the South African industry. In general, there is great optimism from the trend of exports demand for South African blueberries in new markets as well as traditional markets. In the past five seasons, the exports have almost quintupled. This was despite challenges such as post COVID19 elevated shipping costs and loadshedding.

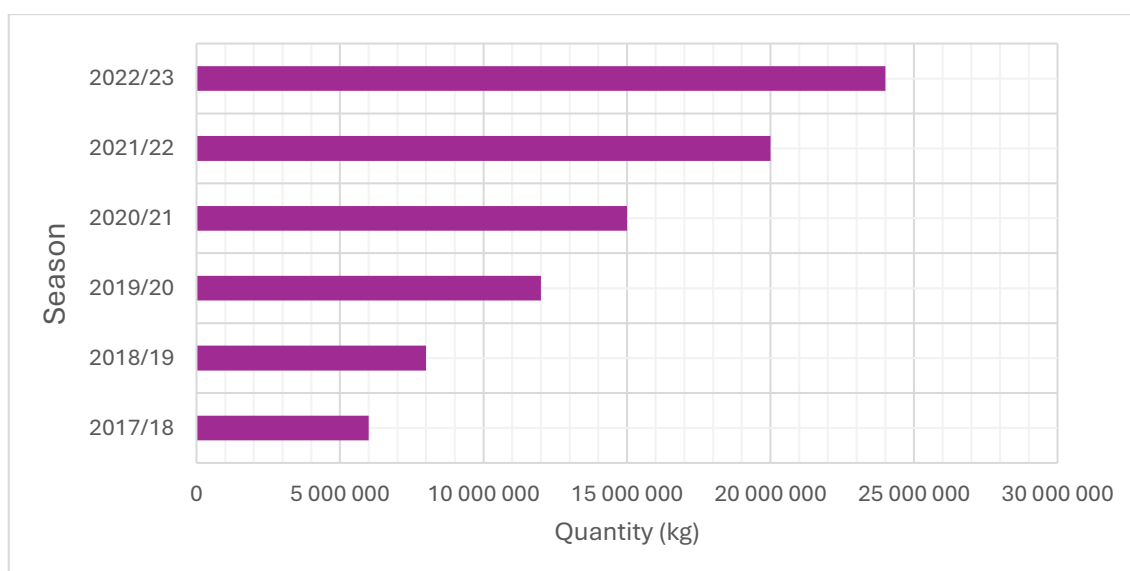


Figure 3: Blueberry historical exports in quantity of boxes (kg)
Source: (FPEF, 2024)

South African blueberry producers face numerous trade flow opportunities as well as challenges. For instance, South Africa has fresh produce ports in Gqeberha, Port of Durban, and the Port of Cape Town, due to its geographic advantages by the sea. Port efficiency ensures smooth flow of blueberries to destination ports thus berries reach shelves fresher. Recently, these have not been in good condition, thus negatively affecting blueberry exports. Challenges such as port congestion, bypassing of ports by shipping lines, unplugging of reefer containers, and lack of port information have negatively affected the trade performance of blueberries and other fruits. Using air freight to export blueberries is relatively more costly compared to sea freight but there is a trend to use air freight as an alternative especially when competitors are off-season.

The figure 4 below makes comparisons for these changes which compare the week 26 to week 29 of 2024 season with the week 26 to week 29 of 2023 and provides a year-on year comparison on the mode of transport used to export blueberries from South Africa. The freight costs, inability to apply the cold chain as well as competition from South American industries are imminent problems for the blueberry industry. Some of the advantages for the industry lie in that the South African blueberry season is ideal for the Northern Hemisphere market. This is a strategic advantage in the fact that we are out of season, blueberries are less seasonal and we have a range of climates suitable for blueberry production.

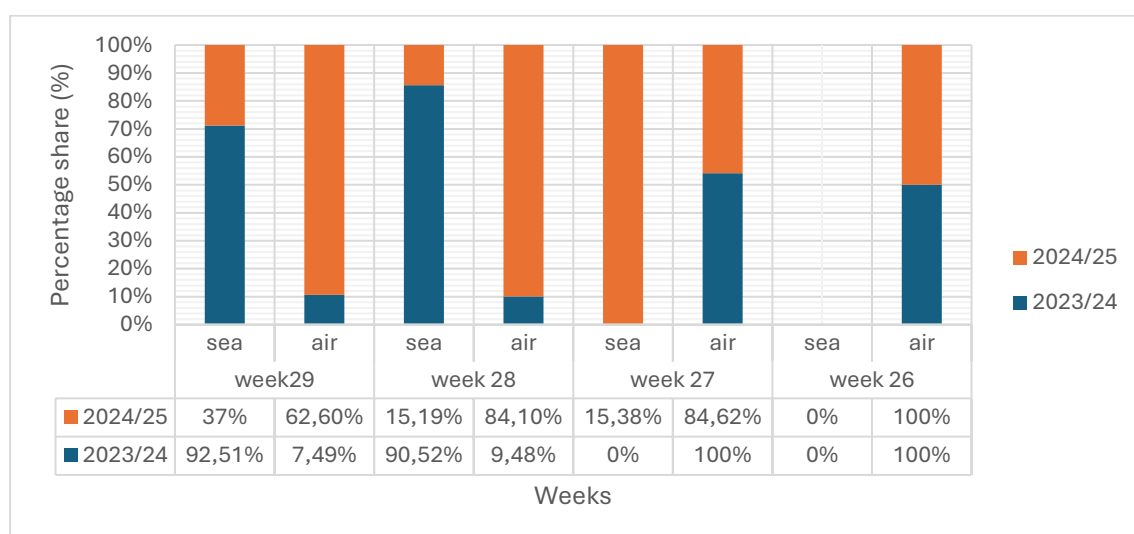


Figure 4: Transportation mode for blueberries from South Africa between last season and the current season.

Source: (BerriesZA, 2024)

2.4 Conclusion and recommendations

It is of strategic importance to maintain, strengthen and leverage existing trade initiatives such as the SACU-EPA as well as AGOA since they have a solid and consistent market demand for blueberries. Moreover, there is a further urgency to prioritise the Far East markets and stimulate bilateral/multilateral trade initiatives with promising markets so as to have a diversified export basket. Furthermore, the AfCFTA agreement provides opportunities for new markets in Africa that have a potential and thus contribute to regional integration.

Moreover, investment into scientific research focusing on fruit quality improvement through genetic innovations as well as dealing with adaptivity to pests and diseases amidst climate change is vital. The recent pause to loadshedding has been a welcome relief to the industry since electricity cuts lead to costly production damages. The government is in the right trajectory by ensuring that ports operate optimally and effectively. Overall, there is a general optimism in the blueberry industry and bounteous opportunities to capitalise on given the growth potential in both production and export market opportunities.

3. South Africa's strawberry international market is booming!

By Thabile Nkunjana

3.1 Introduction

In South Africa, the strawberry industry is one of the more profitable sectors. Although the sector is supported by the local market, exports have done very well over the last ten years. Strawberries are exported from South Africa from May to September, when they reach their height. However, the competition heats up in September as several international suppliers start to compete in the global market. Because of these regions' moderate summers and cold winters, as well as their well-drained, highly organic matter-rich soils, Brits, George, Paarl, and Stellenbosch produce most South Africa's strawberries (SASGA, 2021).

Annual exports have grown dramatically in terms of both volume and value. Strawberries exported from South Africa to the world grew by 663%, from 614 tonnes to 4 690 tonnes, between 2014 and 2023. The value of South Africa's strawberry exports from 2014 to 2023 is shown in **Figure 5**. The value of strawberries exported from South Africa increased by at least 4000% between 2014 and 2023, from R11.4 million to R519.3 million (TradeMap, 2024), see **Figure 5**.

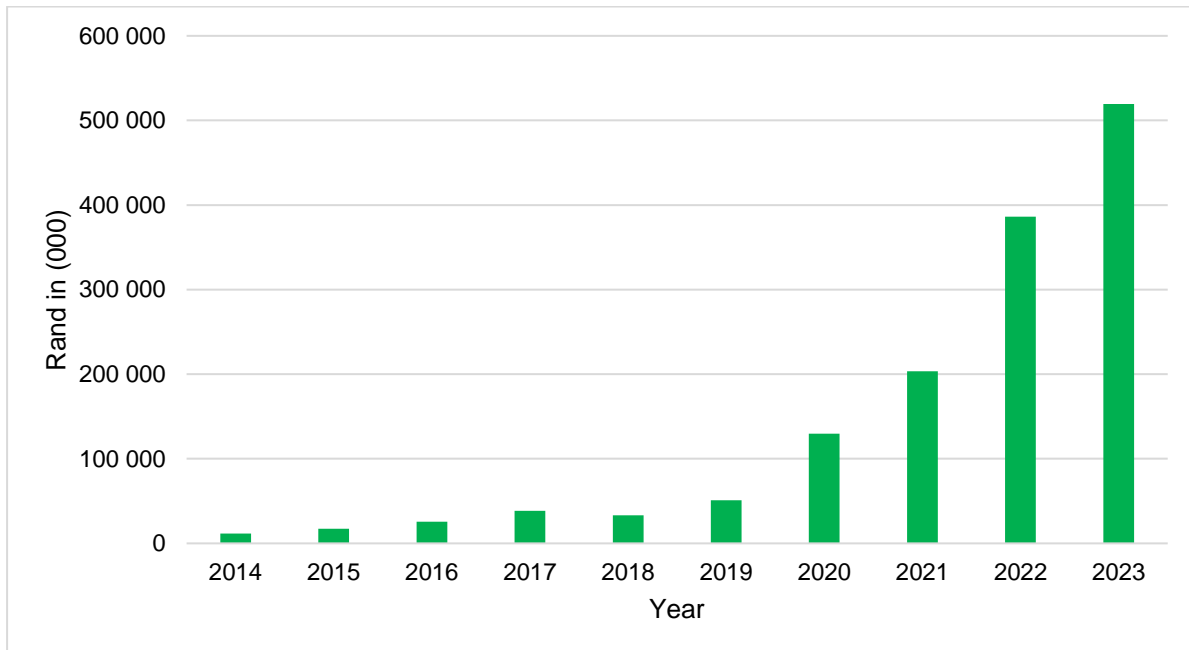


Figure 5: South Africa's strawberry exports in value from 2014 to 2023

Source: (TradeMap, 2024)

3.2. South Africa strawberry exports to the world

Figure 6 presents South Africa's strawberry exports to the world in value percent share by global regions. South Africa's strawberry exports are very concentrated to the Asia and Middle East region. Also, within Asia and Middle East, few countries dominate but there is an increase in other countries as well. In 2023, Asia and Middle-East accounted for at least 91% of South Africa's strawberry exports followed by Africa (7%), United Kingdom (UK) (2%), and the European Union (EU-27).

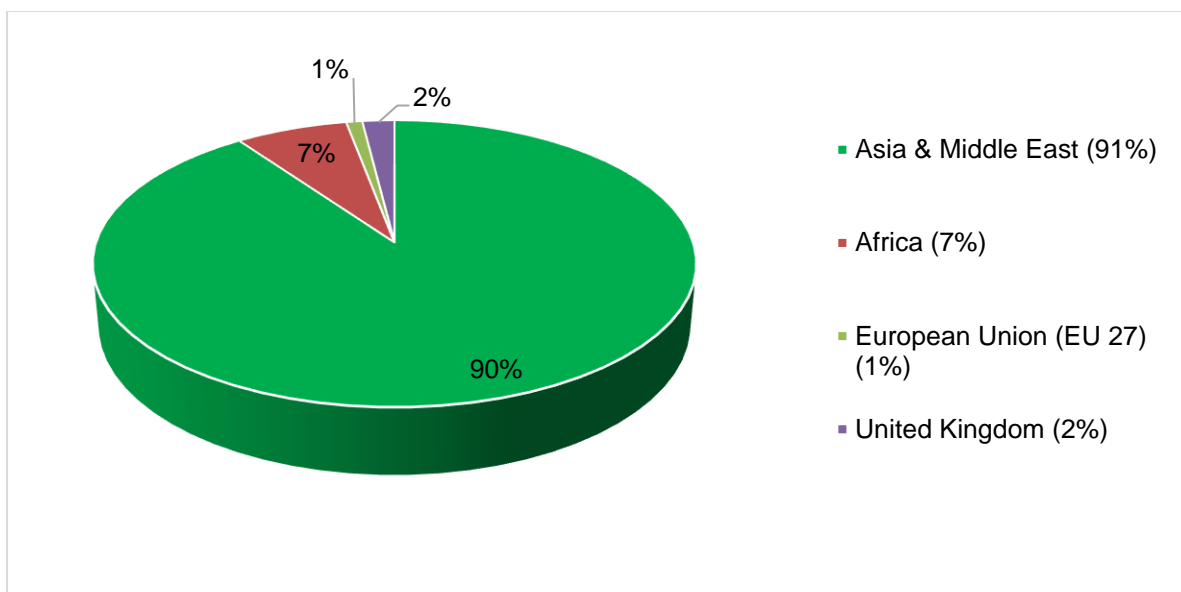


Figure 6: South Africa's strawberry exports in value by region in 2023
 Source: (TradeMap, 2024)

Asia and Middle East

South Africa exported R471.5 million worth of strawberries to the Middle East and Asia in 2023. United Arab Emirates (UAE) (46%), Saudi Arabia (26%), Qatar (10%), and Kuwait (7%), in order of value share, these were the top markets. Oman and Bahrain each held a 4% market share.

Africa

With R34.1 million in exports, Africa ranked as South Africa's second-biggest market for strawberry exports in 2023. With a 30% market share, Mauritius was the largest market. Namibia (25%), Mozambique (15%), Botswana (11%), and Eswatini (5%), were the next largest markets. With a 314% increase in exports over the previous five years, Mauritius is the primary cause of the observed boom in strawberries from South Africa to the African market.

The European Union (EU-27) and United Kingdom (UK)

South Africa exported R5.6 million worth of strawberries to the EU-27 in 2023, with the Netherlands being the top destination with a 93% share, or R5.2 million. With R295 thousand, Spain was the second-largest market. One of South Africa's principal trading partners is the United Kingdom (UK). Strawberry exports to the UK reached R7.8 million in 2023, surpassing the amount exported to the EU in the same year.

3.4. Conclusion

Global supply gaps and demand for strawberries have greatly aided South Africa's recorded export boom. Right now, strawberry exports and production are both rising in South Africa. But growing strawberries requires a lot of money and is labour-intensive. Because of this, only 12 growers are thought to account for 90% of South Africa's total strawberry production (SASGA, 2021). South Africa needs to invest in the US market under the African Growth and Opportunity (AGOA) program. About 267 thousand tonnes of strawberries worth R22.2 billion (USD 1.2 billion) were imported by the USA in 2023.

4. Green Gold Rush: The growth trajectory of South Africa's Avocado Industry

By Lesedi Mokoena and Solly Molepo

4.1. Introduction

Avocados are increasingly popular across all demographics due to their exceptional taste and numerous health benefits. This widespread appeal has significantly boosted sales of South African avocados, reflecting the fruit's growing market demand; avocados are also referred to as "green gold" considering their substantial value in the international commodity markets. South Africa's avocado industry is on track for a successful 2024/25 season due to ideal growing conditions, increased production capacity, and strategic market expansion.

The season has demonstrated immense improvement compared to the previous season; avocado volumes are projected to increase from 18.6 million 4-kilogram cartons produced in the previous season to 20 million 4-kilogram cartons, a 7.5% increase. The increase in production is largely due to favorable climatic conditions and several younger orchards coming into full production, South Africa's strategic timing allows it to capitalize on early market windows in Europe and the United Kingdom, particularly before competitors such as Peru enter the market (Fresh Plaza, 2024).

4.2. South African avocado market analysis and export performance

Domestically, avocado consumption in South Africa has been increasing progressively. This upward trajectory is supported by the expanding middle-class and a growing health consciousness among consumers. Avocados are no longer deemed as a luxury product but have become a staple in the diet of many South Africans. Given the year-round production capabilities that leverage various climatic zones, the local market is substantially self-sufficient.

South Africa has a large variety of avocado cultivars, however only a selected proportion are cultivated commercially. Most growers produce Hass and Fuerte for export, while other growers cultivate for the domestic market (Freshela Exporters , 2024).

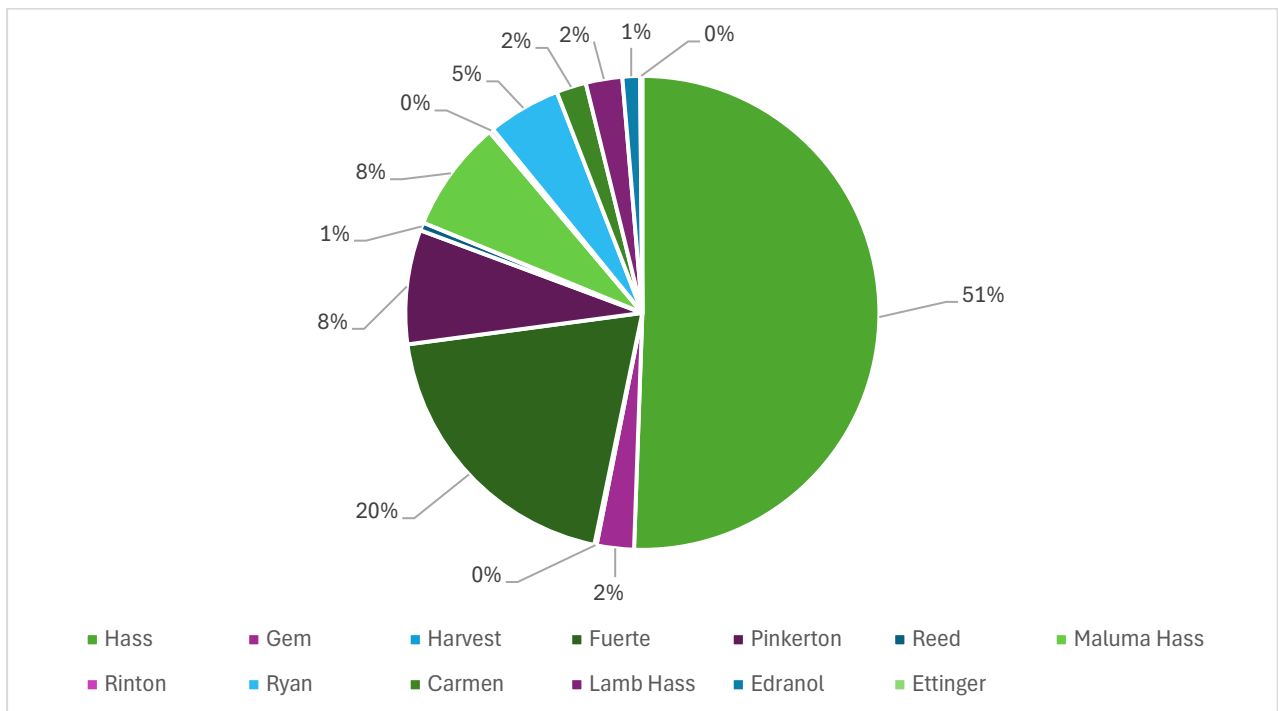


Figure 7: Avocado cultivar distribution in South Africa
Source (SAAGA, 2023)

Figure 7 indicates the dominance of Hass avocados and a strong market preference in both the domestic and international markets. This cultivar is highly favoured due to its longer shelf life, consistent ripening and rich, creamy taste. These characteristics make it the top choice for export markets, particularly in Europe, where demand for Hass avocados is consistently high. Fuerte is the second most widely produced

cultivar, which is traditionally popular in South Africa given their early season availability and good taste, however, their shorter shelf life compared to Hass limits their export potential. With 7.62% of total planting, Maluma Hass is relatively new but a rapidly growing cultivar. It is an early-maturing Hass-like variety; its increasing popularity suggests that growers are striving to diversify within the Hass family to maximize market windows and profitability. The remaining cultivars are usually grown for specific niche markets or to supplement the main cultivars in different seasons for instance; Pinkerton avocados have a longer harvest season, which can assist mitigate market fluctuations in supply (Freshela Exporters , 2024). Reed avocados are known for their large size and are generally available later in the season providing alternatives to consumers when other avocado cultivars are less available.

Table 1 below signifies that the European Union remains the largest and most important market for South African avocados, with the Netherlands, and United Kingdom as the two primary importers. South Africa's ability to enter the European market before competitors such as Peru allows them to capture early-season demand. Countries such as the UAE (United Arabs Emirates) and Saudi Arabia are key players in the rapidly growing Middle East market, South Africa's proximity to the Middle East relative to other major exporters provides a logistical advantage in terms of reduced transportation cost and shorter delivery times, ensuring fresher products. Furthermore, Africa represents a largely untapped market for South African avocados, with the African Continental Free trade Area (AfCFTA) agreement in place, there is potential to increase trade within the continent.

Table 1: Top 10 export markets for SA avocados

Importers	Exported in 2021	Exported in 2022	Exported in 2023
Netherlands	65589	80732	104500
United Kingdom	20591	20506	17808
Russian Federation	5356	2683	5619
Germany	3146	2525	4245
Spain	3073	1506	2391
United Arab Emirates	1135	2132	2249
Portugal	1906	2358	2135
Namibia	1139	1004	1001
France	2523	917	892
Botswana	820	725	672

Source (Trade Map , 2024)

4.3. Conclusion

The South African avocado business has evolved to become a lucrative industry in the last decade - cultivating a variety of avocados assists in mitigating agricultural risks such as pest-infestations, disease outbreaks, and climate-related issues. South Africa's positive avocado trade performance, combined with its strategic approach positions the industry well in global avocado market, ensuring both resilience and fosters sustainable growth. Overall output stability is maintained by the prospects of other cultivars thriving even if and when one is compromised.

5. Assessing the share of South African table grapes in the global market

By Lucas Moswane and Solly Molepo

5.1. Introduction

The table grapes industry in South Africa is made up of 316 producers which are spread over 5 production regions namely the Northern provinces, Orange-river, Olifants-river, Berg-river and Hex-river. The most popular cultivar groups produced in these regions includes crimson seedless, prime seedless, Thompson seedless and flame seedless.

The harvesting periods varies across all these five regions, the region with the earliest production is usually the Northern provinces which includes the parts of the Limpopo and Mpumalanga provinces, harvesting process in this region usually begins in November.

The Hex River region is the region with the latest production period and its harvesting process continues until April. The total annual production of grapes in South Africa has increased from 1 979 872 tonnes in 2013 to 2 064 742 tonnes in 2022, the latter was comprised of 67% pressed grapes, 15% dried grapes and the table grapes constituted 18% of the total production. According to the South African Table Grape industry (SATI, 2023) the production season for the year 2022/2023 ended in a rough patch as all the regions except the Berg-River, have experienced a decline in production volumes due to various climatic factors, such as increased temperatures and higher than average rainfall that negatively impacted the harvesting season.

Factors that contributed to the decrease in the production of grapes during the 2022/2023 season includes 1% decline in the planting area, an enlarged focus on crop load management as well as the quality to accommodate projected travel times to the markets (Kriel, 2020).

5.2. Market analysis and export performance of the South African table grapes

Market is one of the critical components that contribute to the success and sustainability of every business and the South African Grape industry are not exceptional. The South African table grape industry contributes 6.5% of the global exports of table grapes and it is part of the top ten countries that exports table grapes globally where it is ranked number seven on the global scale. The performance of the South African table grape on the global market arena is influenced by trade policies and production performance. For an instance back in 2017 South African table grape industry had an opportunity to expand their export values when it reached an agreement with China to change its cold treatment protocol, this provided the industry with an opportunity to increase their export to China by approximately R2.5 billion over a five year period SATI (SATI, 2017).

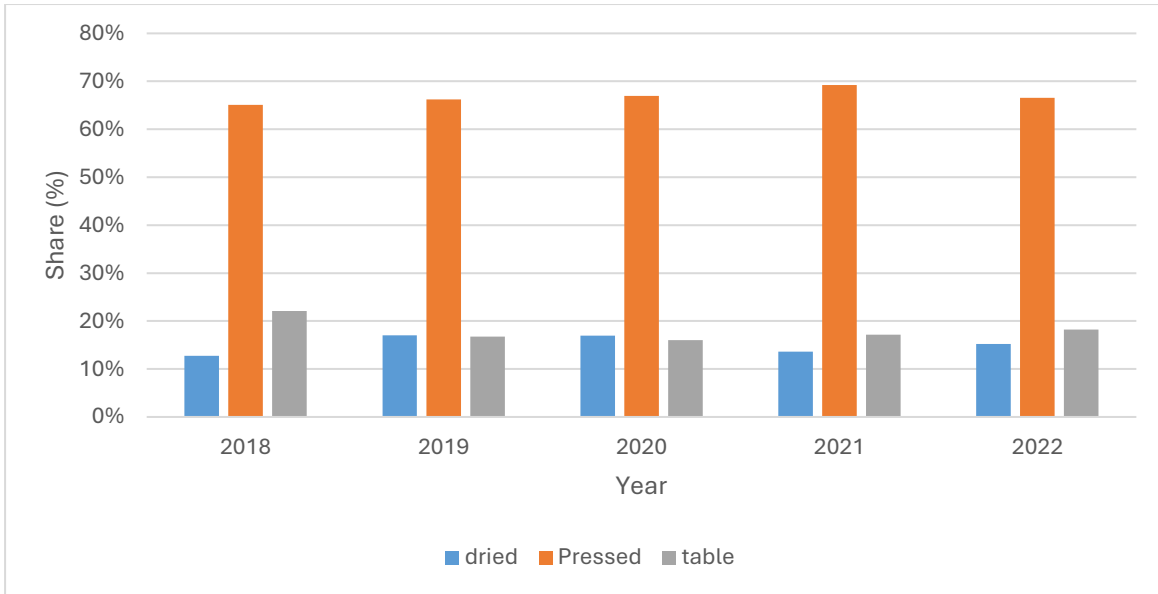


Figure 8: The graph showing the percentage share of uses of grapes in South Africa from 2018 to 2022.

Source: Statistics & Economic analysis and own calculations.

Figure 8 above portrays the annual percentage share of the uses of grapes in South Africa from the total production, for a five-year period. This graph reveals that approximately more than half of the total production of grapes in South Africa are pressed which means they are processed into wine and juice, while less than half of the total production is used for both dried and consumed as table grapes.

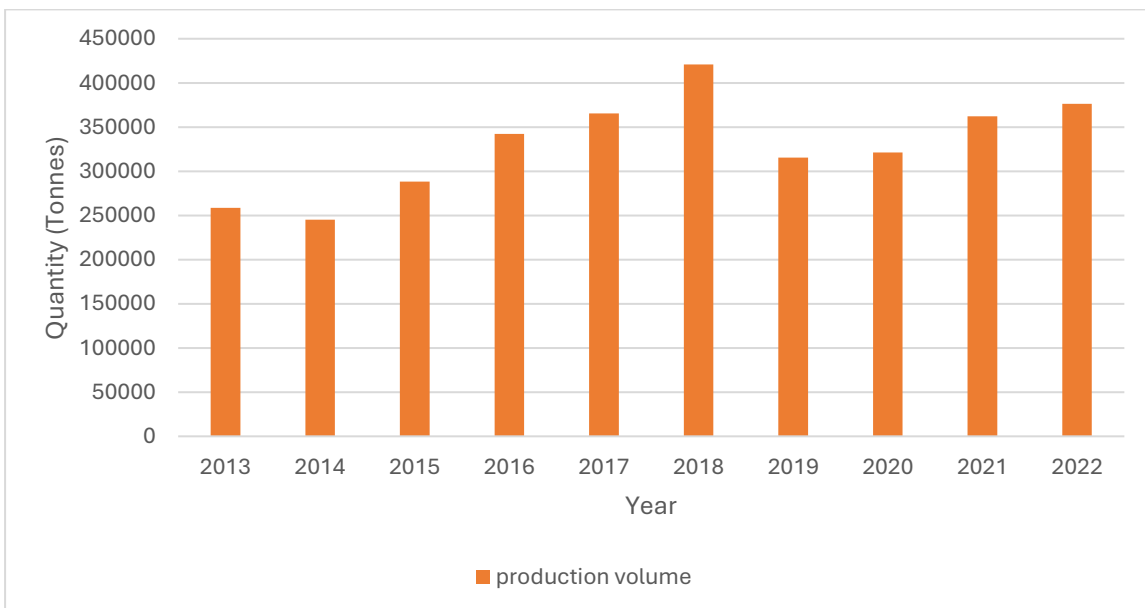


Figure 9: Graphical presentation of table grape production for the past 10 years.

Source: (DALRRD, 2024)

Figure 9 above shows that there has been a steady increase in the production of table grapes between the years 2014 and 2018, with 2018 having the highest volume of production. The production volumes started to decline again in the year 2019 then later began to increase again but at the rate lower than that of 2018. The decline in production of the table grapes may be associated with various factors, most of which are related to climate change.

Table 2: Comparison between export value and quantity of table grapes in the importing countries

Importers	Growth In Export Value	Growth In Export Quantity
World	7%	2%
Netherlands	14%	7%
United Kingdom	2%	-4%
Canada	-2%	-3%
United Arab Emirates	11%	11%
Germany	1%	-3%
Viet Nam	14%	7%
Malaysia	7%	2%
Israel	9%	8%
China	0%	-4%
Russian Federation	0%	-3%

Source: (TradeMap, 2024)

Table 2 above shows the comparison between the growth in an exported value and the growth in exported quantity for the past five years, in the top ten countries that import table grapes from South Africa. **Table 2**, further reveals that the past five years the growth in export value and quantity, has increased in a rate that is higher than the world's average for countries such as Netherlands, United Arab Emirates and Israel, this implies that in these past five years, the South African Table Grape industry has been increasing exports volumes focusing on these countries. Furthermore, an increase of growth in export value that exceed the rate of the export quantity in Netherlands, Viet Nam and Israel may be an indication that the demand for the table grapes in these countries has increased to an extent that it exceeded the supply over the years which has resulted in an increase in prices for the table grapes.

Table 3: The change in exported value for the past 5 years and the estimated untapped potential trade value.

Importers	Exported value in 2019	Exported value in 2023	% change in export value	Estimated potential trade for the year 2023
World	9 235 361	13 167 373	30%	9 335 364
Netherlands	2 818 440	5 254 257	46%	-
United Kingdom	1 889 434	2 325 266	19%	-
Germany	892 447	942 846	5%	859 623
Canada	623 802	621 917	0%	-
United States of America	135 123	549 481	75%	-
United Arab Emirates	196 594	384 850	49%	71 621
Viet Nam	178 250	317 262	44%	338 723
Malaysia	184 427	264 640	30%	56 218
Israel	147 767	212 405	30%	-
China	169 705	190 361	11%	1 661 145

Source: (TradeMap, 2024)

Table 3 above portrays the change in export value of table grapes for the past five years, from the top ten countries that import grapes from South Africa, as well as the export value of this product on a global level. The last column of the table indicates the estimation of the untapped potential trade measured in South African Rands, using 2023 as the base year or the year of reference, which means that the data used to compute this column is dated from 2019 to 2023 and the projected data up to the year 2027. This export potential indicator identifies the expected potential value for table grapes based on the market's dynamics of demand and supply for the table grapes in countries that import from South Africa. **Table 3** shows that the export value has grown significantly over the past five years with 30%, however there is also an untapped potential trade that is estimated to the values of R9 335 364, which indicates that there is a gap in the global supply market of table grapes and therefore there is an opportunity for South Africa to enlarge or expand its share in the global market of the table grapes. The countries that South Africa should focus on, in their endeavour to

expand their market share of table grapes on a global scale includes China which has an untapped potential trade that is more than all the top ten countries importing table grapes from South Africa estimated to a value of R1 661 145.

5.3. Conclusion

From the total amount of grapes that are produced in South Africa, only a small proportion (less than 50% of the production volume) is consumed as table grapes and this portion has shown a significance growth over time till 2018 when it began to decline. The largest proportion of these table grapes is exported to the South Africa's trading partners and only the small portion is produced for domestic market. The table grapes have been performing well in the international trade markets in the past five years, where it was seen increasing the export value up to 75% in the United States of America (USA) and 49% in the Arab United Emirates (AUE), these exports values have increased at a rate that is way higher than an increase in export quantity, which may be an indication that the target markets in the importing countries are willing to pay the higher price for the product in question. There is an untapped potential trade market for table grapes that is estimated at a value of over R9 billion and five out of top 10 importing countries from South Africa contributed to the world untapped market which means that there is an opportunity for the South African producers to expand their production and tap into the available market in five of their importing countries.

6. A remarkable growth in South Africa's kiwifruit exports

By Thabile Nkunjana

6.1. Introduction

A vast variety of fruits can be grown and exported from South Africa. The country is well-known in the international fruit market for being a significant producer and exporter of a wide range of fruits, including citrus, deciduous, and subtropical fruits. Although these are well-known fruits, there are several other fruits that are grown and exported, such as the kiwi, which is the subject of this article. Kiwi exports have increased significantly over the years, reaching 1.8 million tonnes in 2022 before falling by 10.6% in 2023 on a global scale. Global exports, however, increased in value over the same period, from USD3.0 billion in 2019 to USD3.5 billion in 2023, a 15.6% increase (TradeMap, 2024). New Zealand, Italy, Greece, Chile, Belgium, the

Netherlands, and Portugal are the top exporters of kiwis globally.

6.2. South African kiwi fruit export performance analysis

South Africa has witnessed a notable surge in kiwifruit exports in tandem with the global surge in demand for kiwis. The value (Rand) of South Africa's kiwifruit exports throughout the period from 2014 to 2023 is shown in **Figure 10**. From R9.2 million in 2014 to R102.5 million in 2023, South Africa's kiwifruit exports increased by an astounding 1014% over this time (TradeMap, 2024). Although there has been an increase during this time, 2019 to 2023 saw a notable increase, with South Africa's kiwifruit exports to the global market increasing by more than 50% between 2022 and 2023 (see **Figure 10**).

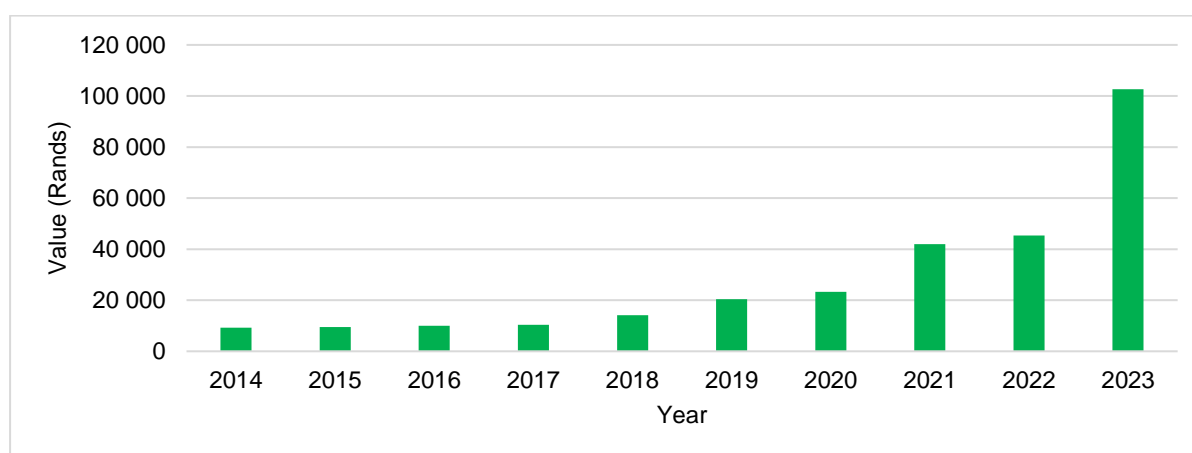


Figure 10: South Africa's kiwifruit exports in value from 2014 to 2023

Source: (TradeMap, 2024)

South Africa's kiwifruit exports to the world by regions

The value percent (%) share of South Africa's kiwifruit exports to the world by global regions is shown in **Figure 11**. Exports of kiwifruit from South Africa are mostly directed towards the EU-27. By 2023, at least 57% of South Africa's kiwifruit exports went to the EU-27. With a market share of 17%, Asia and the Middle East rank second in terms of market size, followed by Africa (14%) and the Americas (11%).

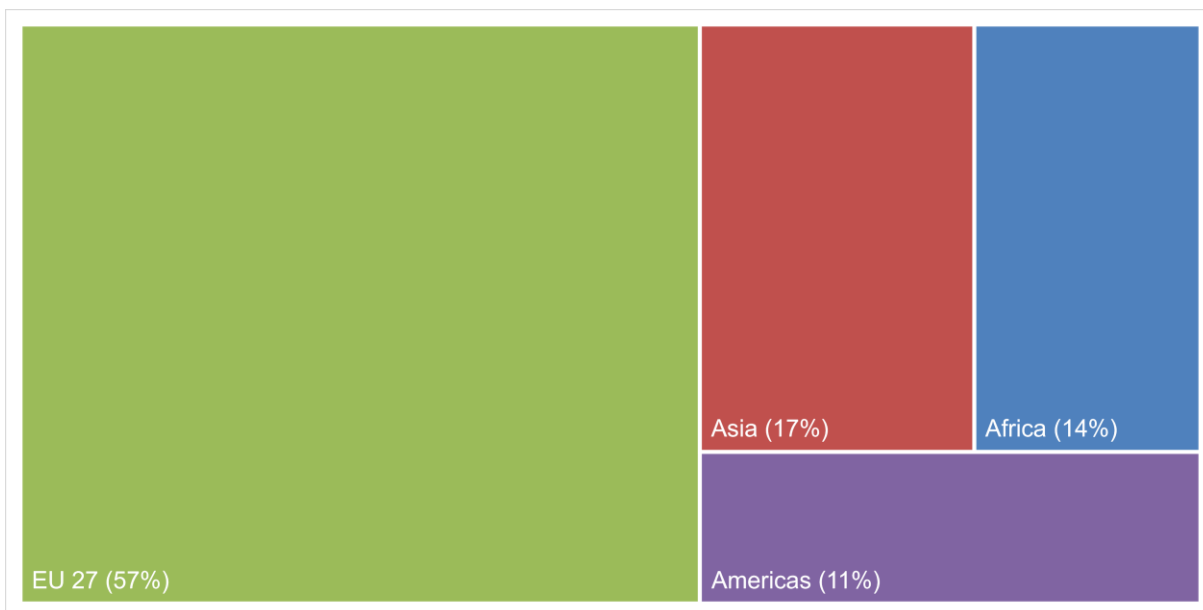


Figure 11: South Africa's kiwifruit exports share in value by region in 2023

Source: (TradeMap, 2024)

European Union (EU-27)

As was previously indicated, with a market share of 57% in 2023, the EU-27 is the region that imported the majority of South Africa's kiwifruit. Of this, 76% went to the Netherlands as the main market for South Africa in the EU-27, followed by Italy (19%) and France (5%). South Africa's overall kiwifruit exports to the EU-27 were worth R58.8 million in 2023.

Asia and Middle East

In 2023, South Africa's kiwifruit exports to the Middle East and Asia market brought in R17.4 million. With a share of at least 72% in 2023, the United Arab Emirates (UAE) is by far the biggest single market for South African kiwifruit exports to the Asia-Middle East area. With a market share of 8%, Saudi Arabia was the second-largest market, followed by Malaysia (5%), Hong Kong, China (4%), and India (4%).

Africa

At least R14.6 million worth of kiwifruit from South Africa was destined for the African market in 2023. Namibia was the largest market with a share of 21% followed by Botswana (17%), Mozambique (13%), Angola (10%) and Kenya (8%). Of these markets, Kenya and Angola had registered the largest increase in percentage (%) compared to other top 5 markets. However, it is important to note that Namibia,

Botswana and Mozambique remain bigger markets by value share.

Americas

With R605 thousand in imports in 2021, the Americas have just lately emerged as South Africa's kiwifruit market. From R605 thousand in 2021 to R11.6 million in 2023, South Africa's exports have increased by 1817% since then. With a 98% market share in 2023 and the USA gaining the remaining share, Canada has been the primary driver of the increase that has been observed in South Africa's kiwi exports to the Americas region.

6.3. Conclusion

Compared to other kiwi-producing countries or industries within South Africa, the kiwi industry is still quite small and in its infancy stage in size. However, it is expanding globally and was listed as the 16th largest exporter of kiwis in 2023. This is remarkable given that 320 hectares of land are used in South Africa for the production of kiwis. Only 400 tonnes of kiwis were exported by the country not too long ago, but by 2023, that number had increased more than four times to 1,664. With the growing demand globally especially from South Africa's usual markets for fruit and vegetables, it's likely that this small industry might grow especially if the EU-27 market remains while the Middle East and Americas continues with the current growth trajectory.

7. South Africa's pome fruits production and exports forecasted to increase in the 2023/24 season

By Bhekani Zondo & Maremo Mphahlele

7.1. Introduction

The South Africa's pome fruits industry is largely export driven. Out of the pears produced in South Africa, 48% is exported, 35% processed, 15% sold locally and 2% is dried (DALRRD, 2023; HORTGRO, 2023). In addition, out of the total apples produced, 42% is exported, 32% processed, 27% is sold locally and less than 1% is dried. On the one hand, there is a pool of apple cultivars being produced in South Africa such as Royal Gala which accounts for 18% of apples produced in South Africa followed by Golden Delicious (18%) and Cripps Pink (13%). On the other hand, pears

production is concentrated in few cultivars as compared to apples. Cultivars such as Packham's Triumph accounts for 33% of the pears produced, while Forelle accounts for 29% and Williams Bon Chretien accounts for 16% (HORTGRO, 2024a).

The sector contributes significantly to employment and quality of life in South Africa. Apple farms contributed 32 397 on-farm employment, with 129 590 South Africans depending on those employed in apple farms in the year 2023. The pear fruits farms contributed 15 471 on-farm employment with 61 883 people depending on those employed in the pears fruits farms (HORTGRO, 2024a). Overall production of Pome fruits has been increasing in the previous five years (2019-2023) but have seen a slight dip in 2022/23 at 1 754 550 tons from 1 864 014 in 2023/24, recording a 6.2% reduction (DALLRD, 2024). The production is recorded by mainly Western Cape regions, of which on the one hand in terms of overall local production, the major production areas for apple production are found to be Ceres (32.9%), Groenland (29.6%) and Villiersdorp (16%), among others (HORTGRO, 2023). On the other hand, major producing regions for pears in South Africa are Ceres (37%), Langkloof East (11.5%) and Groenland (13.2%) among others (HORTGRO, 2023).

7.1.2. Global performance of pome fruits between the 2022/23 and 2023/24 season

According to the latest data from the United States Department of Agriculture Foreign Agricultural Service (USDA, 2024) as presented in **Figure 12** below production of both apples and pears is expected to record significant increases in the 2023/24 season compared to the 2022/23 season. Similarly, exports and imports of both apples and pears are also forecasted to increase notably. The increase in global production of apples is attributed to increases in the United States of America (USA) which is set to offset losses in the European Union (EU) and Turkey. The decline in the EU region is attributed to cold temperatures and poor pollination amongst the major producing countries while favorable growing conditions in the USA will support higher yields. Increased global production of pears is attributed to greater suppliers from China which is also set to offset losses in the EU.

As of June 2024, global production of pears was forecasted at 25.2 million tonnes, showing an increase of 1% compared to 24.9 million tonnes in the 2022/23 season.

Similarly, production of pears shows an increase of 1% from 83 million tonnes to 83.7 million tonnes as of June of 2023/24 season. On the other hand, exports of pears are forecast to increase by 6% up to 1.8 million tonnes while imports increased by 3% to 1.7 million tonnes compared to the previous season. In addition, global exports of apples are forecast to increase by 10% to 6.02 million tonnes while imports are also forecast to increase by 7% to 5.8 million tonnes. Currently, the leading exporters of apples globally are the EU, USA, China, Iran and South Africa, among others. Whereas the leading importers of apples globally are India, Iraq, United Kingdom, Mexico, and Vietnam, among others. On the other hand, the leading global importers of pears are Indonesia, EU, Russia, Brazil, Vietnam, and UK; while the leading exporters are China, Argentina, EU, South Africa, USA, and Chile.

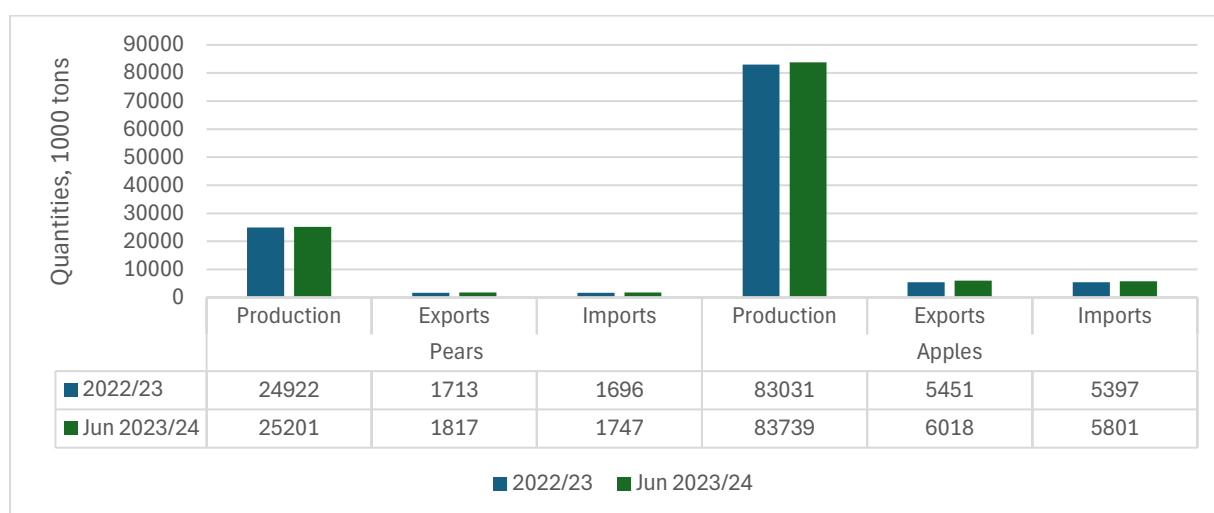


Figure 12: Global performance of pome fruits
Source: USDA (2024)

7.2. South Africa’s pome fruits performance between the 2022/23 and 2023/24 season

South Africa’s production of apples is forecasted to rebound to approximately 1.2 million tons which is close to the 2021/22 record level owing to favorable weather conditions and an increase in the area harvested (USDA, 2024). This marks the recovery from the damage in the 2022/23 crop. In addition, South Africa’s pear production is also forecasted to increase to 621 000 tons, resulting from favorable winter conditions characterized by sufficient rainfall and chill hours.

Table 4 below shows South Africa’s cumulative weekly export volumes by region as of week 29 of 2024 compared to the same period in 2023. As of this period, the country

has exported about 29.4 million cartoons¹ of apples to its traditional markets. This represents an increase of 4% compared to the export's volumes realized in the same period in 2023. The Far East and Asia accounts for the largest share of South Africa's apple exports, accounting for a share of 33%, followed by Africa (17%), UK (16%), Middle East (14%), and Europe (11%). A smaller share of apple exports was destined for the Russian Federation (6%), followed by Indian Ocean (2%), and USA and Canada (1%). Although the Russian Federation accounts for a smaller share, exports of apples to this region recorded the highest growth rate of 115% during this period under consideration. Other regions who recorded growth rates were Europe (26%), Middle East (18%), Indian Ocean (15%), and the UK (5%). Exports of apples to USA and Canada recorded a decline of 22%, followed by a decline of 8% to the African continent and Far East and Asia.

Table 4: Cumulative weekly apple export volumes by region as of week 29, 2024 compared to the same period in 2023

Apple Export Cumulative Volumes - YTD - Week 29				
Region	2023	2024	% Difference	% Share
Africa	5,532,207	5,093,565	-8%	17%
Far East & Asia	10,535,236	9,723,877	-8%	33%
Middle East	3,427,187	4,049,375	18%	14%
United Kingdom	4,408,706	4,648,016	5%	16%
Europe	2,507,678	3,165,764	26%	11%
Indian Ocean	496,310	571,320	15%	2%
USA & Canada	403,632	312,869	-22%	1%
Russian Federation	852,502	1,834,402	115%	6%
Other	3,629	0	-100%	0%
Total	28,167,087	29,399,188	4%	

Source: HORTGRO (2024b)

Table 5 below shows South Africa's cumulative weekly export volumes by region as of week 29 of 2024 compared to the same period in 2023. As of week 29, of 2024, the pome industry had exported about 15.2 million cartoons of pears to its key markets, showing a growth rate of 6% from 14.4 million cartoons exported in week 29 of 2023. Europe accounting for a share of 41% of South Africa's pear exports during this period, followed by Far East and Asia (16%), Middle East and Russian Federation (15%), and

¹ 12.50 Kg cartoons equivalent

UK (6%), among others. Pear exports to Indian Ocean increased by 42% followed by, Europe (24%), Russian Federation (11%), USA and Canada (6%). Pear exports to the UK declined by 16%, followed by Far East and Asia (14%), Middle East (5%), and Africa (2%).

Table 5: Cumulative weekly apple export volumes by region as of week 29, 2024 compared to the same period in 2023

Pear Export Cumulative Volumes - YTD - Week 29				
Region	2023	2024	% Difference	%Share
Europe	5,017,201	6,246,314	24%	41%
Far East & Asia	2,754,541	2,373,265	-14%	16%
Middle East	2,468,705	2,333,733	-5%	15%
United Kingdom	1,121,036	941,430	-16%	6%
Africa	429,604	421,682	-2%	3%
USA & Canada	499,175	529,171	6%	3%
Indian Ocean	150,836	213,545	42%	1%
Russian Federation	2,001,403	2,231,456	11%	15%
Other	0	0	0%	0%
Total	14,442,501	15,290,596	6%	

Source: HORTGRO (2024b)

7.3. Conclusion

In conclusion, South Africa's pome fruit industry is experiencing a notable recovery and growth in the 2023/24 season. Both apple and pear production are forecasted to increase significantly due to favorable weather conditions and an expansion in harvested areas. The export market remains a critical component of the industry, with export volumes showing positive trends, especially in apples and pears, which have seen growth in key markets such as the Russian Federation and Europe. This resurgence underscores the resilience and importance of the pome fruit sector to South Africa's economy, particularly in terms of employment and export revenues.

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Useful Links

Agrihub	www.agrihub.co.za
Bureau for Food and Agricultural Policy (BFAP)	www.bfap.co.za
Citrus Growers' Association (CGA)	www.cga.co.za
Department of Agriculture, Forestry and Fisheries (DAFF)	www.daff.gov.za
Food and Agriculture Organisation (FAO)	www.fao.org/docrep
Fresh Produce Exporters' Forum (FPEF)	www.fpef.co.za
Hortgro Services	www.hortgro.co.za
National Agricultural Marketing Council (NAMC)	www.namc.co.za
Perishable Products Export Control Board (PPECB)	www.ppecb.com
Quantec Easy Data	www.quantec.co.za
South African Subtropical Growers' Association (Subtrops)	www.subtrop.co.za
South African Table Grape Industry (SATGI)	www.satgi.co.za



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