



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 4/14/2005

GAIN Report Number: SF5011

South Africa, Republic of

Canned Deciduous Fruit

Annual

2005

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Report Highlights:

South Africa's total fresh fruit deliveries to canners are expected to decrease by 11% to 251,902 MT because of drought in the deciduous fruit growing areas. Exports are forecast to decrease by 3% because of lower fresh fruit deliveries for canning. Domestic consumption is expected to decrease by 21% as exports are prioritized over the domestic market. Imports will continue at significantly low levels because of reduced local demand for canned fruit products.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Pretoria [SF1]
[SF]

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Executive Summary

South Africa's total canned fruit production is expected to reach about 172,000 MT in 2004/2005, a 13% decrease from 197,000 MT of last year because of lower fresh fruit deliveries for canning. Total deciduous fruit deliveries for canned processing are expected to decrease by 11% to amount to 251,902 MT in 2005. Lower intakes resulted from reduced total production because of severe drought in the deciduous fruit growing areas. Heat, wind and non-seasonal rains also negatively impacted the crop. Fresh fruit deliveries for canned apricots are expected to decrease by 43%, canned fruit mixtures by 11%, while canned peaches and pears will be 2% lower than in 2004.

In February 18, 2005, the government gazette published a new regulation relating to the grading, packing and marking of canned fruit intended for local sale. The new rule is regulated under the Agricultural Product Standard Act of 1990. Imported canned food products should also comply with the new legislation.

Production

Drought in the Western Cape reduced the 2004/2005 deciduous fruit production. It is reported that the main supply dams and farm dam levels are the lowest since 1999 and significant rain in the near future is unlikely. As a result, this year's crop will be lower, as illustrated by the table below:

Total Deciduous Fruit Production				
Fruit Type	2003/2004 (Jan-Dec)		2004/2005(Jan-Dec)	
	October'04 Estimates	Latest Actuals	October '04 Estimates	Current Estimates*
Royal Apricots	15,000	16,169	13,750	13,700
Bulida Apricots	46,000	60,787	39,000	34,691
Clingstone Peaches	162,000	158,639	166,000	159,064
Bon Chretien Pears	91,000	90,878	85,000	82,447
Other Pears	27,000	27,393	30,000	30,000
Total Deciduous Fruit	341,000	353,866	333,750	319,902

Source: Canning Fruit Producers' Association

The reduction in total deciduous fruit production is expected to directly influence the amount of fresh fruit deliveries for canning, juice and jam processors as the table below indicates:

Total Fresh Deliveries to the Canning Processors		
Fruit Type	2003/2004 (Jan-Dec)	2004/2005(Jan-Dec)
	Latest Actuals	Current Estimates*
Royal Apricots	169	200
Bulida Apricots	58,587	33,191
Clingstone Peaches	136,639	134,064
Bon Chretien Pears	58,993	54,447
Other Pears	27,393	30,000
Total Deciduous Fruit deliveries	281,781	251,902

Source: Canning Fruit Producers' Association

South Africa's total deciduous fruit deliveries for canning in 2004/2005 are expected to decrease by 11% to amount to 251,902 MT in 2005 because of a drought. Canned Apricots are expected to decrease by 43%, canned fruit mixtures by 11%, while canned peaches and pears will be 2% lower than in 2004.

Total canned fruit production for CY 2005 is expected to reach about 172,000 MT because of lower fresh fruit deliveries for canning. Canned fruit production is forecast to drop by 2% for peaches, by 2% for pears, massively by 43% for apricots, and by 11% for mixed fruit.

Production Subcategory

South Africa, Republic of Peaches, Canned							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2003		01/2004		01/2005	MM/YYYY
Deliv. To Processors	154508	154508	136640	136640	127000	134064	(MT)
Beginning Stocks	18182	30912	13212	20634	9862	7294	(MT, Net Weight)
Production	98885	99887	86230	87400	62000	85800	(MT, Net Weight)
Imports	117	3	100	482	100	500	(MT, Net Weight)
TOTAL SUPPLY	117184	130802	99542	108516	71962	93594	(MT, Net Weight)
Exports	77168	77168	66400	70522	40062	66000	(MT, Net Weight)
Domestic Consumption	26804	33000	23280	30700	24900	22000	(MT, Net Weight)
Ending Stocks	13212	20634	9862	7294	7000	5594	(MT, Net Weight)
TOTAL DISTRIBUTION	117184	130802	99542	108516	71962	93594	(MT, Net Weight)

South Africa, Republic of Pears, Canned							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2003		01/2004		01/2005	MM/YYYY
Deliv. To Processors	98254	93254	88135	86386	93000	84447	(MT)
Beginning Stocks	2500	1079	2813	1392	3353	2100	(MT, Net Weight)
Production	32420	32420	29000	28400	30700	27800	(MT, Net Weight)
Imports	8	8	20	21	20	20	(MT, Net Weight)
TOTAL SUPPLY	34928	33507	31833	29813	34073	29920	(MT, Net Weight)
Exports	29465	29465	26100	25333	27700	25000	(MT, Net Weight)
Domestic Consumption	2650	2650	2380	2380	2500	2500	(MT, Net Weight)
Ending Stocks	2813	1392	3353	2100	3873	2420	(MT, Net Weight)
TOTAL DISTRIBUTION	34928	33507	31833	29813	34073	29920	(MT, Net Weight)

South Africa, Republic of Canned Apricots							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2003		01/2004		01/2005	MM/YYYY
Deliv. To Processors	36994	36994	60867	58756	0	33391	(MT)
Beginning Stocks	8442	13022	8743	11414	10393	22840	(MT, Net Weight)
Production	28573	29145	46870	45200	0	25700	(MT, Net Weight)
Imports	44	43	20	29	0	20	(MT, Net Weight)
TOTAL SUPPLY	37059	42210	55633	56643	10393	48560	(MT, Net Weight)
Exports	23596	23596	37500	26103	0	26600	(MT, Net Weight)
Domestic Consumption	4720	7200	7740	7700	0	7700	(MT, Net Weight)
Ending Stocks	8743	11414	10393	22840	0	14260	(MT, Net Weight)
TOTAL DISTRIBUTION	37059	42210	55633	56643	0	48560	(MT, Net Weight)

South Africa, Republic of Canned Mixtures							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2003		01/2004		01/2005	MM/YYYY
Deliv. To Processors	289756	284756	283735	281782	286700	251902	(MT)
Beginning Stocks	11071	11071	9128	8028	7868	8045	(MT, Net Weight)
Production	37289	37018	36890	36600	37000	32700	(MT, Net Weight)
Imports	115	115	150	113	130	130	(MT, Net Weight)
TOTAL SUPPLY	48475	48204	46168	44741	44998	40875	(MT, Net Weight)
Exports	35247	35247	34300	31376	34700	30700	(MT, Net Weight)
Domestic Consumption	4100	4929	4000	5320	4000	4200	(MT, Net Weight)
Ending Stocks	9128	8028	7868	8045	6298	5975	(MT, Net Weight)
TOTAL DISTRIBUTION	48475	48204	46168	44741	44998	40875	(MT, Net Weight)

Consumption

South Africa's CY 2005 canned fruit domestic consumption is expected to decrease by 21% because of less production and more exports.

Trade

Total canned fruit exports for CY 2005 are expected to decrease by 3% to 148,000 MT because of lower production. In 2004, exports totaled 153,334 MT. Total exports amounted to 4,792 MT in January 2005, and are detailed below:

PEACHES

Japan, still the leading export destination for South African canned peaches even though imports of 675 MT were down 40% compared to last year. Exports to other destinations increased massively from same period last year by 259% from 168 MT to the UK; by 302% from 139 MT to Canada; and by 296% from 139 MT to South Korea. Exports to the U.S. decreased by 94% to 16.7 MT the same period this year. Total canned peach exports reached about 4,980 MT in January 2005, an increase of 47% from last year.

PEARS

In January 2005, the United Kingdom remained the leading export destination for South Africa's canned pears, with a total 591 MT, a 323% increase from the same period last year. South Africa increased its exports massively to Canada (521%) and Germany (319%). Australia received shipments totaled at 264 MT in January this year, the first time in the past three years. The U.S. imported a 51% fewer South African canned pears from 177 MT last year. Total canned pears export reached 2,321 MT, an increase of 121% from last year same period.

APRICOTS

South Africa's total canned apricots exported in January 2005 amounted to 1,720 MT. Of the total, a large proportion of consignments were destined to Germany (657 MT), followed by the United Kingdom (259 MT), Australia (213 MT) and Japan (178 MT). The U.S. received 36.7 MT of the South African canned apricots, and ranked 7th within the largest export market in January 2005.

FRUIT MIXTURES

Exports for fruit mixtures reached a total 1,806 MT in January 2005, a 16% increase from January 2004. Major export destinations were Canada (597 MT), Japan (223 MT), Australia (212 MT), the United Kingdom (128 MT), and Switzerland (123 MT). The U.S. ranked 13th as South Africa's major export destination with about 34 MT.

Trade Subcategory

EXPORT TABLES (JANUARY – DECEMBER)

South Africa, Republic of Peaches, Canned			
Time Period	Jan-Dec	Units: MT	Jan - Dec
Exports for:	2003		2004
U.S.	7,656	U.S.	2,283
Others		Others	
Japan	17,208	Japan	14,900
Germany	10,871	Thailand	6,627
U.K.	6,528	Germany	6,110
Canada	3,700	Hong Kong	5,852
Switzerland	3,111	U.K.	5,436
Korea, South	2,079	Netherlands	4,873
Netherlands	1,821	Switzerland	3,249
Belgium	1,796	Australia	2,810
Taiwan	1,678	Canada	2,638
Italy	1,535	Korea, South	2,031
Total for Others	50327		54526
Others not Listed	19,185		13,713
Grand Total	77168		70522

Source: WTA

South Africa, Republic of Pears, Canned			
Time Period	Jan-Dec	Units: MT	Jan - Dec
Exports for:	2003		2004
U.S.	2,802	U.S.	697
Others		Others	
Germany	4,609	U.K.	6,384
U.K.	4,329	Japan	3,852
Japan	3,686	Germany	2,932
Netherlands	3,002	Thailand	2,260
Canada	2,312	Switzerland	1,712
Switzerland	2,208	Belgium	1,076
Belgium	1,610	Canada	1,026
Thailand	1,197	France	1,024
Hong Kong	839	Netherlands	847
Austria	612	Australia	654
Total for Others	24404		21767
Others not Listed	2,259		2,869
Grand Total	29465		25333

Source: WTA

South Africa, Republic of Canned Apricots			
Time Period	Jan-Dec	Units:	MT
Exports for:	2003		2004
U.S.	177	U.S.	156
Others		Others	
Germany	10,995	Germany	7,690
U.K.	2,526	Netherlands	3,116
Japan	2,077	U.K.	2,852
Netherlands	1,180	Australia	2,673
Belgium	908	Japan	1,713
Austria	853	New Zealand	1,299
Switzerland	771	Switzerland	1,137
Italy	681	Belgium	848
France	605	France	810
New Zealand	530	Israel	742
Total for Others	21126		22880
Others not Listed	2,293		3,067
Grand Total	23596		26103

Source: WTA

South Africa, Republic of Canned Mixtures			
Time Period	Jan - Dec	Units: MT	Jan - Dec
Exports for:	2003		2004
U.S.	872	U.S.	785
Others		Others	
Japan	5,443	Japan	5,809
U.K.	4,603	U.K.	2,814
Germany	3,848	Canada	2,552
Switzerland	2,976	Switzerland	2,501
Canada	2,794	Singapore	1,823
Austria	1,929	Germany	1,788
Belgium	1,425	Austria	1,636
Netherlands	1,190	Belgium	1,572
Philippines	1,181	Australia	940
Hong Kong	1,065	Netherlands	935
Total for Others	26454		22370
Others not Listed	7,921		8,221
Grand Total	35247		31376

Source: WTA

IMPORT TABLES (JANUARY – DECEMBER)

South Africa, Republic of Peaches, Canned			
Time Period	Jan-Dec	Units: MT	Jan - Dec
Imports for:	2003		2004
U.S.	0	U.S.	40
Others		Others	
China	3	Greece	418
		China	24
Total for Others	3		442
Others not Listed	0		
Grand Total	3		482

Source: WTA

South Africa, Republic of Pears, Canned			
Time Period	Jan-Dec	Units: MT	Jan - Dec
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Spain	6	Spain	21
Lebanon	2		
Total for Others	8		21
Others not Listed	0		0
Grand Total	8		21

Source: WTA

South Africa, Republic of Canned Apricots			
Time Period	Jan-Dec	Units: MT	Jan - Dec
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
China	19	China	17
Belgium	19	Greece	5
Australia	2	New Zealand	4
Saudi Arabia	2	Italy	1
Lebanon	1	Australia	1
Total for Others	43		28
Others not Listed	0		1
Grand Total	43		29

Source; WTA

South Africa, Republic of Canned Mixtures			
Time Period	Jan - Dec	Units: MT	Jan - Dec
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Turkey	99	China	87
Lebanon	13	Netherlands	16
Thailand	3	Greece	5
		New Zealand	4
		India	1
Total for Others	115		113
Others not Listed	0		0
Grand Total	115		113

Source: WTA

Policy

In February 18, 2005, the government's gazette published a new regulation relating to the grading, packing and marking of canned fruit intended for local sale. The new rule is regulated under the Agricultural Product Standard Act of 1990. Imported canned food products should also comply with the new legislation, which is expected for implementation three months after the date of publication. Below are some of the specific requirements of the rule:

Restrictions on the sale of canned fruit

Canned fruit should comply with the applicable grades for each canned fruit product. All grades of canned fruit should be prepared from sound, fresh, clean and washed fruit, and be free from any foreign substances, excluding extraneous vegetable matter and permitted food additives. Grades should be either - extra choice, choice, standard, substandard, or manufacturer, and should comply with the specific quality standards *per* product.

Canned fruit packs should be presented as either regular - consisting of fruit packed in a packing medium; heavy - consisting of crushed style fruit with/without sweetening ingredients and consisting of at least 73% drained mass; or solid - consisting of all fruit with very little or no free flowing liquid. Any other presentation of the canned product shall be permitted provided that it is sufficiently distinctive from other forms; meets all other requirements of the regulations and closely resembles that particular style, or is adequately described on the label to avoid confusing/misleading the consumer.

The packing media should be either water – as a sole medium; water and juice(s) – water and juice from the from the same fruit or water and any other single/more juices combined in any proportion to form a packing medium; or fruit juice(s) – juice from the same fruit or compatible fruit as the sole medium/ two to more compatible fruit juices combined to form the packing medium. If more juices are mixed, the juices should be pulpy, turbid or clear. The packing media should be declared as one of the following - “packed in water”; “in water”; packed in water and ‘x’ juice(s); “in water and ‘x’ juice(s); packed in ‘x’ juice(s); or “in ‘x’ juice(s) where ‘x’ indicates the name (s) of the specific juice (s). The packing medium may contain permitted nutritive sweeteners or non-nutritive sweeteners and flavorants. The packing media having permitted nutritive sweeteners should further be classified as very light syrup (9 degree Brix but less than 14 degree Brix); light syrup (14 degree Brix but less than 18 degree Brix); Syrup (16 degree Brix but less than 20 degree Brix); heavy syrup (not less than 18 degree Brix). Any product addition should comply with the limits, unless 33.3% of containers in an inspection sample may deviate by 1 degree Brix. The packing medium with permitted non-nutritive sweeteners should be declared as “packed in water sweetened with non-nutritive sweeteners”, “in water sweetened with non-nutritive sweeteners”, “packed in water with ‘x’ ”, or “in water sweetened with ‘x’, where ‘x’ indicates the name (s) of the specific non-nutritive sweetener(s).

Containers for canned fruit should be intact, clean, suitable and strong enough for the packaging and normal handling of the canned, and re-usable containers sterilized. Containers should also be rust-free with no serious dents or disorders that may be detrimental to the product quality; not emits any undesirable taste/odour to the product; and Should be closed properly and in a manner permitted by its nature.

Canned fruit of different kinds, grades, or styles should not be packed in the same container or outer container, unless otherwise specified within the regulations. The Manufacturer’s Grade should be packed in A10 or larger containers. The composition of the unspecified canned fruit mixes should be listed in descending order and sent together with the proposed quality standards, to the Executive Officer for approval.

Canned fruit containers should be clearly and legibly marked or labeled with – A code mark indicating the name of the canning industry, the product, and the date of manufacturer - and approved by the Executive Officer; the name of the trade mark of the manufacturer/packer; the physical address of the manufacturer/packer; a panel indicating true description of the contents and ingredients; A product name declaring the packing medium or the packing medium in close proximity to the product name; the grade, unless “Caterers Grade” is used instead of “Manufacturers Grade”; the net mass of the contents as required by the Trade Metrology Act, 1973; “Product of” followed by the full name and country of origin. An outer container should indicate the number of containers packed. Additional information can be accessed at: www.nda.agric.za

Policy Subcategory

The Agricultural processors held a meeting in December 2004 with the aim of forming an association by January 2005, the Agricultural Processors Association that should be a Section 21 Company that is expected for registration in January 2005, to deal with common issues like Agri-BEE and the international trade. However, the Canning Fruit Association is not joined as members. Other most important issues currently affecting the Canning Fruit industry are the Agri-Bee Program and the Food Industry Plan.

Marketing

The continuous devaluation of the Rand caused two of the largest canning industries, Ashton and Tiger Foods to consider a merge. The two companies are in the process of handling logistics for the merge.

Marketing Subcategory

Price expectations for canned fruit exports to the EU are good for 2004/2005 because of the expected lower level of deciduous fruit in that market. However, the total volume of canned fruit exported will be influenced by the lower production because of the drought.