TRADE & INDUSTRIAL POLICY STRATEGIES

INDUSTRY STUDY

International Trends in the Horticulture Industry

May 2025

TIPS industry studies aim to provide a comprehensive overview of key trends in leading industries in South Africa. For each industry covered, working papers will be published on basic economic trends, including value added, employment, investment and market structure; trade by major product and country; impact on the environment as well as threats and opportunities arising from the climate crisis; and the implications of emerging technologies. The studies aim to provide background for policymakers and researchers, and to strengthen our understanding of current challenges and opportunities in each industry as a basis for a more strategic response.

This industry study analyses trends in global exports and imports and trends in Africa and South African imports and exports. It looks at drivers and constraints in trade such as non-tariff barriers and trends in foreign investment and dominant foreign exporters.

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ABBREVIATIONS

CGA	Citrus Growers' Association
DALRRD	Department of Agriculture, Land Reform and Rural Development
EU	European Union
FDI	Foreign Direct Investment
GM	Genetically Modified
SACU	South African Customs Union
SADC	Southern African Development Community
SIC	Standard Industrial Classification
SPS	Sanitary and Phytosanitary
STC	Specific Trade Concern
TBT	Technical Barriers to Trade
UK	United Kingdom
US	United States
WHO	World Health Organization
WTO	World Trade Organization

INTRODUCTION

Horticulture is a subsector of agriculture and food processing in manufacturing. It is mainly comprised of products such as the growing and processing of fruit, vegetables, nuts, spice crops, coffee, and tea. In addition, it involves the growing of trees as a second crop for farmers and ornamental horticulture. The largest traded horticultural products are HS8 Edible fruit and nuts, HS7 Edible vegetables and HS20 Preparations of vegetables, fruit, nuts. Edible fruit and nuts are the 33rd largest globally traded product, followed by Edible vegetables and certain roots and tubers, 41st, and Preparations of vegetables, fruit, nuts, or other parts of plants, 45th. By value and share of total global exports, Edible fruit and nuts accounted for US$142 billion or 0.6%; Edible vegetables accounted for US$93 billion or 0.4% and Preparations of vegetables and fruit accounted for US$84 billion or 0.4%. Overall, horticulture exports, in particular Edible fruit and nuts, have grown by 35% in the last 10 years, driven by rising populations, consumer preference for fresh, healthy produce and snacks and counter-seasonality trends.

Global exporters of Edible fruit and nuts cut across different continents. The United States (US) share of exports accounts for 10.5% or US$14 billion, followed by Spain and Mexico. South Africa plays an integral role in the global trade of horticulture. South Africa is the 11th largest exporter of Edible fruit and nuts. By top global exported products South Africa is the 10th largest exporter of other nuts, fresh or dried, second largest exporter of citrus fruit, fresh or dried; seventh exporter of grapes, fresh or dried; fourth largest exporter of apples, pears and quinces; eighth largest exporter of apricots, cherries, peaches including nectarines, plums and sloes, and 13th largest exporter of dried apricots, prunes, apples, peaches, pears, papaws and tamarind.

South African exports of edible fruit and nuts grew from R2.7 billion in 2004 to R80 billion constant rands in 2023 and contribute 3.94% to total exports of South Africa. By product, the main exports are citrus, with almost 73% of oranges being exported, 90% of soft citrus, 70% of lemons, and 72% of grapefruits. Export destinations cut across Europe, Asia, and the Americas. Exports to the Netherlands accounted for 23.2% in 2023.

Many barriers restrict global trade, and one fundamental barrier is non-tariff. Last year, South Africa took the European Union (EU) to the World Trade Organisation (WTO) for the first time, on the matter of the “thaumatotibia leucotreta” or false codling moth, a citrus pest commonly found in Sub-Saharan Africa. The trade barrier could have a significant impact on the exports of citrus. In 2024 alone, in edible fruit and nuts, about 14 trade concerns were against China by 11 countries and the EU on the Draft Administrative Measures for Registration of Overseas Producers of Imported Foods. Since 2018, in edible vegetables, 17 trade concerns have been raised against the EU by 12 countries on Maximum Residue Levels.

Foreign Direct Investment (FDI) in South Africa includes about 22 large foreign companies which are operating from across the globe, such as McCain, Del Monte and Agrana. The largest parent countries are the United Kingdom (UK) as well as the US, France, Spain, and Mauritius.

This study analyses trends in global exports and imports by product and country, and trends in Africa and South African imports and exports. Due to the large nature of horticulture, it looks at the top three traded products only, HS8, 7 and 20. The study briefly looks at drivers and constraints in trade, such as non-tariff barriers. In addition, it looks at trends in foreign investment and dominant foreign exporters. Values instead of volumes for trade are used, as fruit and vegetables each weigh differently.

1. DRIVERS OF CONSUMPTION OF HORTICULTURE

According to the Who Owns Whom report, *Preserving and Processing of Fruit and Vegetables in South Africa* (Bryden 2020), several factors are driving the consumption of horticulture products in South Africa and across the globe. Some of these drivers are:

The increasing awareness of healthy eating habits and rising demand for organic and locally sourced produce has boosted global demand for healthy vegetarian and vegan meals. This has resulted in the growth of vegetarian options and availability in supermarkets, restaurants, and fast-food outlets. According to EuroMoniter (2020), the demand for plant-based food accelerated during the COVID-19 pandemic and continues to rise in some countries.

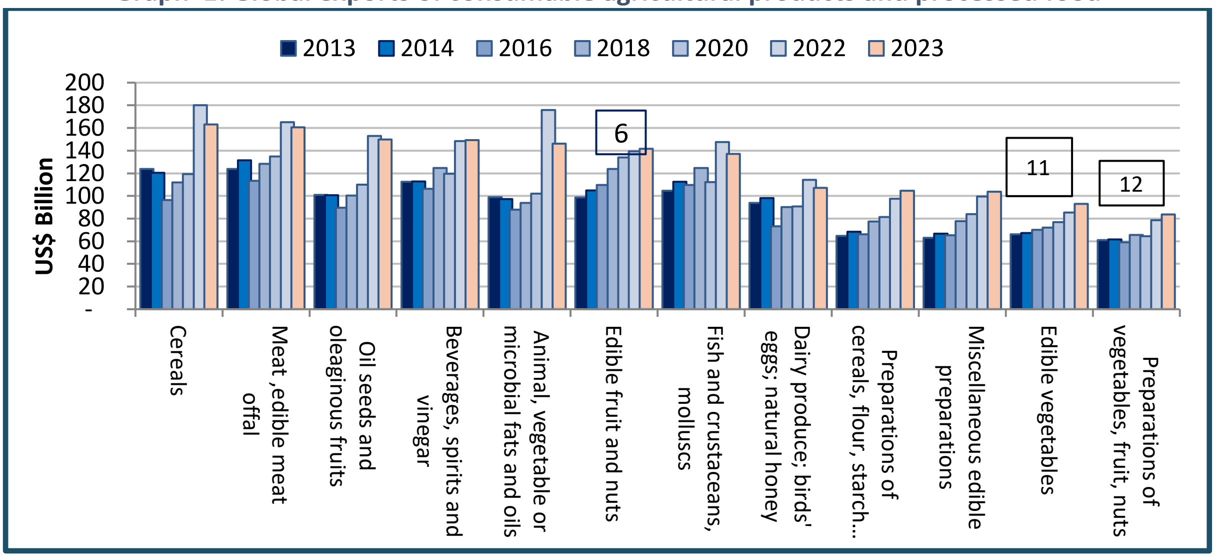
Snackification has become a trend, replacing large meals with snacks that are consumed more than four times a day. Consumers are leading busy lives, resulting in rising demand for convenient on-the-go meals. Consumers are demanding healthy, diet-friendly alternatives to traditional junk food, such as fruit snacks which incorporate real fruit and vegetables. The growth of fruits and snacks in plastic cups for quick consumption is on the rise (Bryden 2020).

Various conditions, such as high cholesterol, diabetes and obesity, have led people to consume low cholesterol and nutrient-rich food. Manufacturers are adding organic and healthy ingredients such as superfoods to their products. As fruit juices contain a lot of sugar, there has been a growing number of vegetable- and superfruit-based juices, made of blueberries, pomegranate and kale, which are considered to be healthy. In addition, there has been increasing demand for dried superfruits such as dried berries and powdered dried superfruits. In manufacturing and in research and development, food processors are starting to replace synthetic preservatives with natural preservatives from fruits and vegetables (Bryden 2020).

While not every country's condition is critical, the World Health Organisation (WHO) has stated that global consumption of fresh fruit and vegetables is still under the recommended standard of 400g/per person per day (current consumption 267g). As such, the WHO and other international organisations such as the International Fresh Produce Association are advocating for trade, distribution, and awareness to boost consumption (International Fresh Produce Association 2023).

2. GLOBAL TRADE IN HORTICULTURE

Graph 1: Global exports of consumable agricultural products and processed food



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

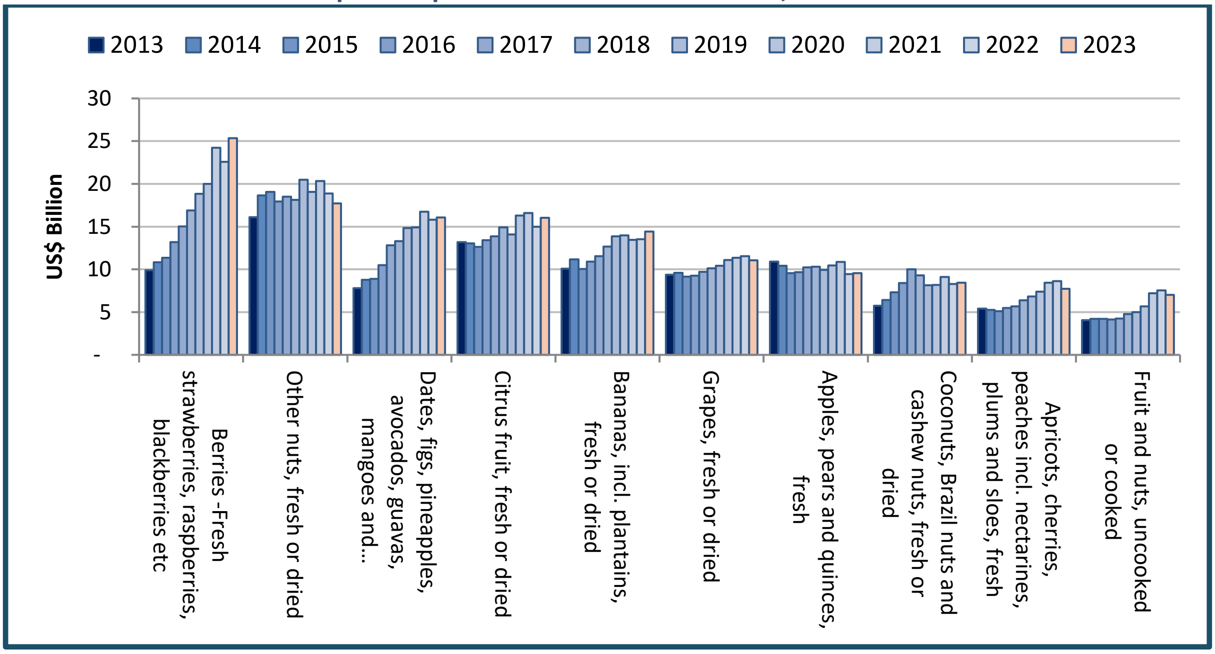
This section analyses trade in horticulture of codes (HS8, 7 and 20). In the last decade, exports of Edible fruit and nuts; Edible vegetables; and Processed vegetables, fruit, and nuts contributed 0.4%; 0.6% and 0.34% respectively to total global exports. Within the basket of consumed agricultural and processed food exports, they are the 6th, 11th' and 12th largest exported goods, respectively. Exports of Edible fruit and nuts were US$99 billion in 2013 and grew to US$141 billion in 2023, a growth rate of 44%. Exports of Edible vegetables and certain roots and tubers were US$66 billion in 2013 and US$98 billion in 2023, a growth rate of 40%. Exports of Processed vegetables, fruit, nuts or other parts of plants or processed vegetables were US$61 billion in 2013 and grew to US$84 billion in 2023, a growth rate of 37%. For all exports recorded, there was a larger increase in exports during COVID-19, unlike other years.

2.1. Global exports and imports by product and country

Edible fruit and nuts

The largest traded product within Edible fruit and nuts are fresh strawberries, raspberries, blackberries, back, white, or red currants, gooseberries, and other edible fruits (Graph 2). Exports of this product have grown by 156% over the decade. Within the category of Edible fruit and nuts, the berries accounted for 18% of exports or US$25 billion in 2023. Share of exports of other nuts, fresh or dried, accounted for 13%. Exports of Dates, figs, pineapples, avocados, guavas, mangoes, and mangosteens, fresh or dried, doubled from US$7.8 billion in 2013 to US$16 billion in 2023 and account for 11%. In 2023, exports of citrus fruit, fresh or dried and bananas, including plantains, fresh or dried, accounted for 11% and 10%, respectively. Share of exports of grapes, fresh or dried, accounted for 8%. Exports of fresh apples, pears, and quinces slightly declined from US$10 billion in 2013 to US$9.5 billion in 2023 and accounted for 7%. Share of exports of coconuts, Brazil nuts and cashew nuts, fresh or dried; apricots, cherries, peaches including nectarines, plums, and sloes, fresh and fruit and nuts, uncooked or cooked accounted for 6%, 5% and 5% respectively in 2023.

Graph 2: Exports of edible fruit and nuts, 2013-2023



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

Drawing from Graph 3, the top 10 global exporters of Edible fruit and nuts cut across different continents. Total global exports in 2023 were US$141 billion, and the US share of exports was 10.5%

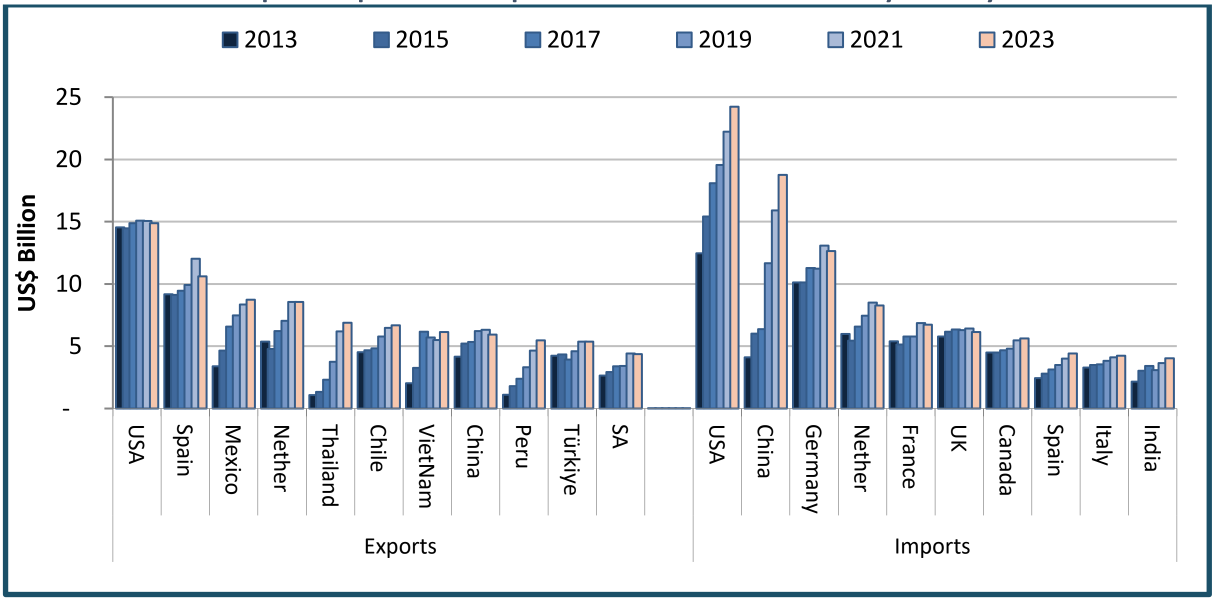
or US$14 billion. The US share of exports have remained nearly the same since 2013. In 2023, Spain and Mexico were the second and third largest exporters with shares of 7.5% and 6.2%, respectively. The Netherlands' share of exports was 6%, while Thailand's exports grew year on year, from US$1 billion in 2013 to US$6.8 billion in 2023 and accounted for 4.9%. Exports from Chile and Vietnam accounted for 4.7% and 4.3%, respectively. Exports from China account for 4.2%. Peru has also seen an increase in exports, with US$1.1 billion exported in 2013 to US$5.4 billion in 2023. Exports from Türkiye contribute 3.9% while South Africa, the 11th largest exporter, contributes 3.8%.

By top global exported products in dollar value and in order of exports, South Africa is the:

- 10th largest exporter of HS0802 Other nuts, fresh or dried
- 2nd largest exporter of HS0805 Citrus fruit, fresh or dried
- 7th of HS 0806 Grapes, fresh or dried
- 4th largest exporter of HS0808 Apples, pears, and quinces, fresh
- 8th largest exporter of HS0809 Apricots, cherries, peaches, incl. nectarines, plums, and sloes, fresh
- 13th largest exporter of HS0813 Dried apricots, prunes, apples, peaches, pears, papaws "papayas", tamarind (Trade Map 2024b)

Graph 3 illustrates that the largest importers of HS8 Edible fruit and nuts are the US, China, and Europe. Using 2023, by share of global imports, the US accounted for 15.7%. Imports from the US grew by 94% from US$14.4 billion to US$24.2 billion between 2013 and 2023. China accounts for 12.1% of imports. Imports from China grew by 357% from US$4 billion to US$18.7 billion between 2013 to 2023. Germany and the Netherlands account for 8.2% and 5.3% respectively, of global imports. France and the UK account for 4.45% and 4% respectively, while Canada and Spain account for 3.6% and 2.9% respectively of global imports. South Africa is listed as the 70th largest importer of this category and accounts for less than 0.1%.

Graph 3: Exports and imports of edible fruit and nuts by country

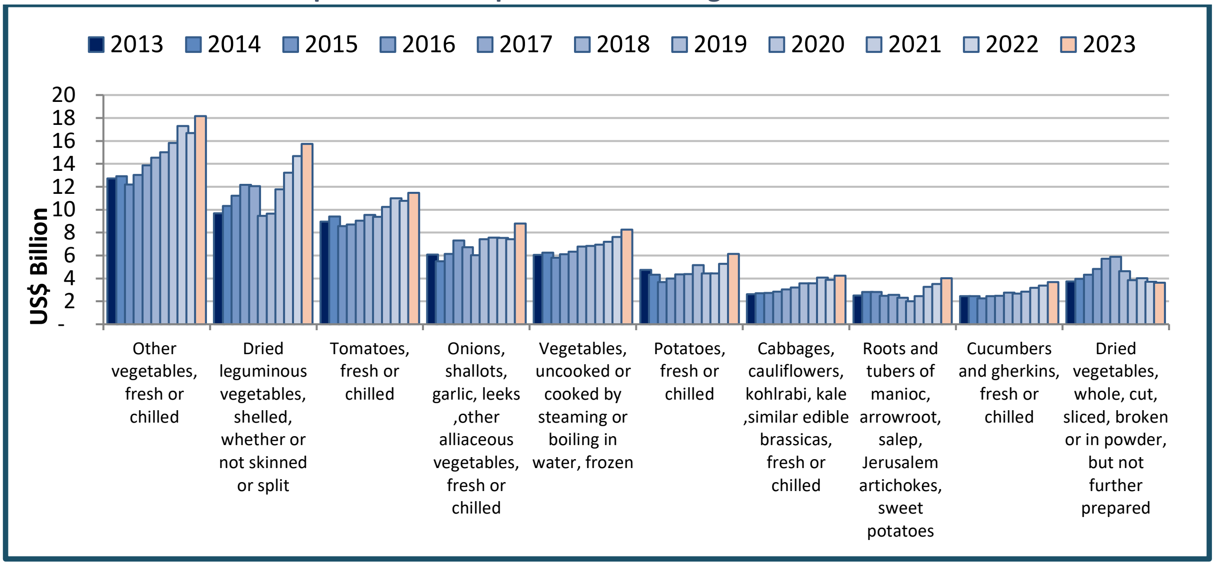


Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20 Accessed at www.trademap.org in July 2024.

2.2. Edible vegetables and certain roots and tubers

The largest exported product within the category of edible vegetables and vegetables and certain roots and tubers are other vegetables, fresh or chilled. In 2023, the share of exports of 'other vegetables fresh or chilled' accounted for 20% of HS7. This is followed by exports of dried legumes and tomatoes, which account for 17% and 12%, respectively. Share of exports of onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled, and potatoes accounted for 9% each. Cabbages, cauliflowers, kohlrabi, kale, and similar edible brassicas, fresh or chilled, accounted for 7% while roots and tubers of various vegetables accounted for 5%. There has been a decline in the last three years of exports of dried vegetables.

Graph 4: Global exports of edible vegetables 2013-2023

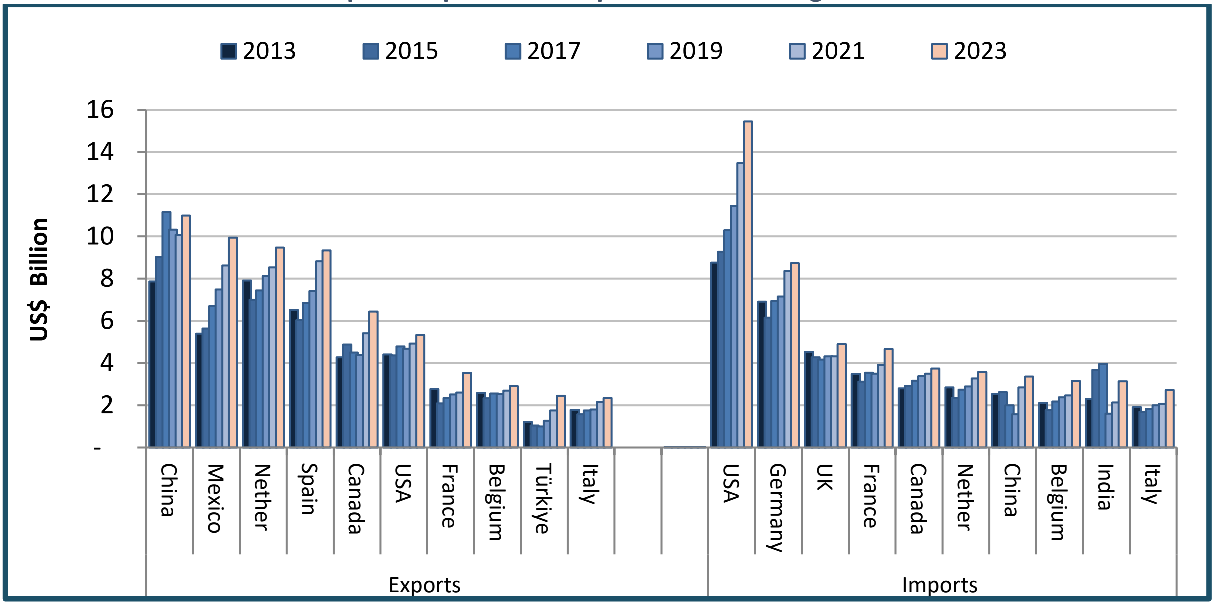


Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024

Globally, the largest exporters by country within the category of HS7 are China, Mexico, the Netherlands, and Spain. By share of exports between 2016 and 2019, China accounted for an average of 15%; since then, exports have slightly declined and account for 11.8%. Mexico's exports grew from 8.1% in 2013 to 10.7% in 2023. The Netherlands, Spain and Canada's share of exports account for 10.7%, 10.2% and 10%, respectively. The share of exports from the US has remained almost constant at 6.3% over the decade. The share of exports of France and Belgium accounts for 3.8% and 3.1%, respectively. South Africa is the 47th largest exporter of HS7, with a share of 0.2%.

Globally, the largest importers by country within the category of HS7 are the US, Germany, the UK, and France. Imports from the US doubled from US$8 billion in 2013 to US$15,5 billion in 2023. The US accounts for 16.3% of global imports. Germany accounts for 9.2% while the UK accounts for 5.2% of global imports. Imports from France, Canada and the Netherlands have remained almost constant and account for 4.9%, 4% and 3.8%, respectively. Share of imports from China accounts for 3.5% and those of Belgium and India 3.3% each. South Africa is the 74th importer of this category, with shares in imports accounting for less than 0.1%.

Graph 5: Exports and imports of edible vegetables

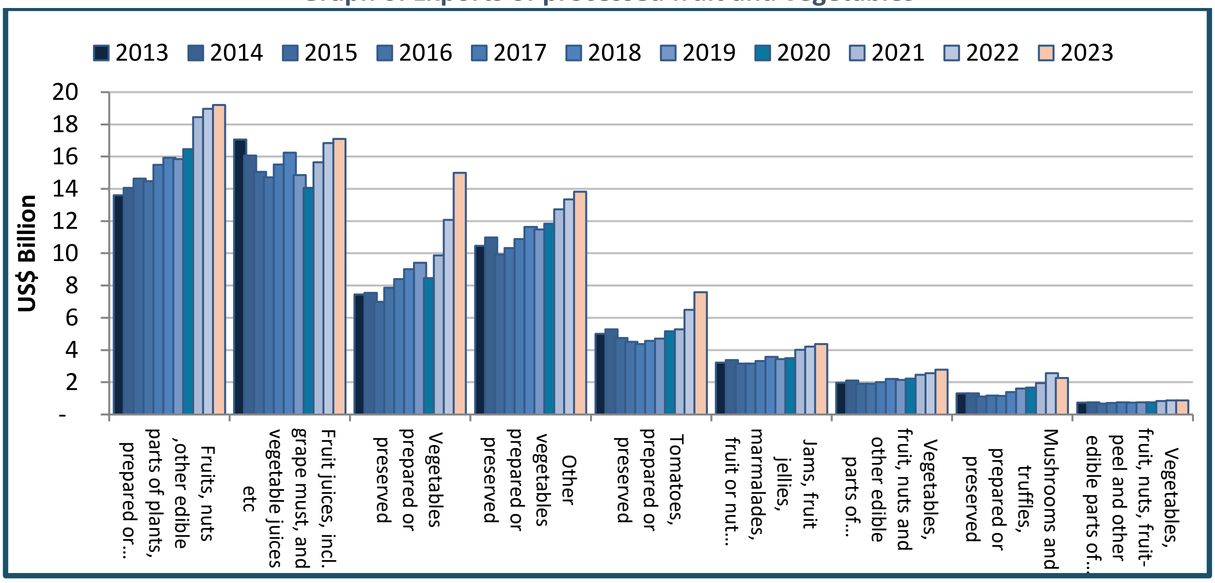


Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024

Preparations of vegetables, fruit, nuts, or other parts of plants

The largest exported product within the category of HS20 Preparations of vegetables, fruit, nuts, and other parts of plants are ‘fruits, nuts, other edible parts of plants, prepared or preserved (Graph 6). Share of exports of these within HS20 is currently 23%. Second are fruit juices with a share in value or exports of 21%. Vegetables, other vegetables, and tomatoes prepared or preserved account for 18%, 17% and 9% each, respectively. All the rest, including jams and marmalades, account for less than 12%.

Graph 6: Exports of processed fruit and vegetables



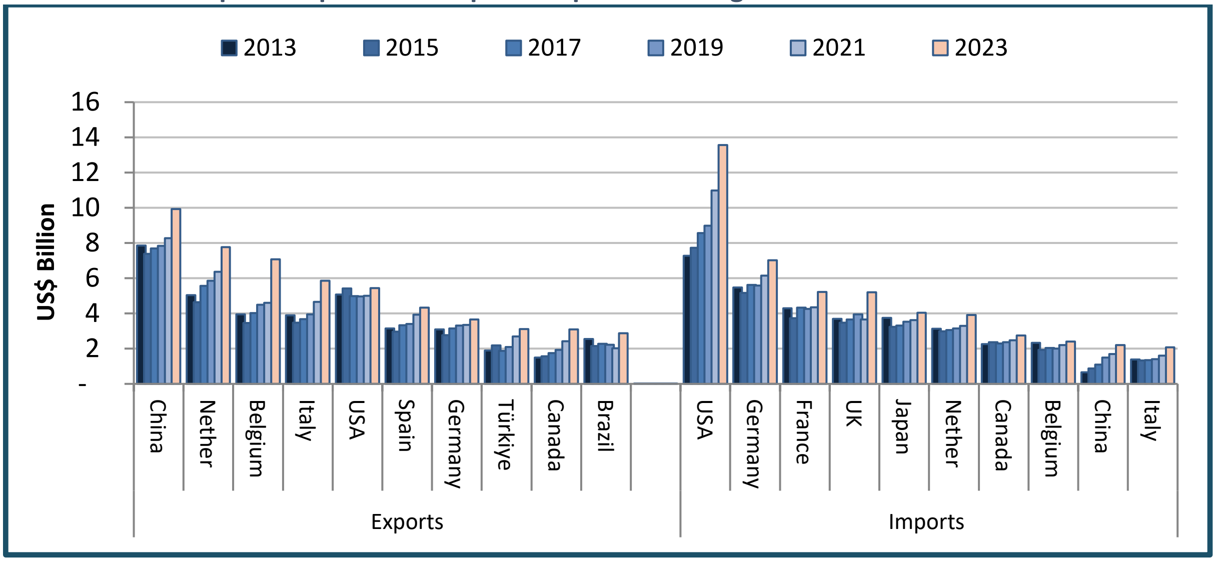
Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024

Globally, the largest exporters by country within the category of HS20 are China and the Netherlands. China’s share of exports accounts for 11.9% (Graph 6). The EU is also a large exporter with the Netherlands, Belgium and Italy contributing 9.3%, 8.4% and 7% respectively to the share of exports. Exports from the US and Spain have remained almost constant and count for an average of 7% and

5% respectively in the last five years. Other exports emanate from Canada and Brazil and account for 3.7% and 3.4%, respectively. South Africa is the 23rd largest exporter and accounts for 0.9%.

The largest importers of prepared vegetables and fruit are the US, Germany, and France. The US share of global imports for this category was 16.5% in 2023. The US is a net exporter and importer, also re-exports. Re-exports from the US have grown by 35% between 2013 and 2023, from US$127 million to US$323 million. Germany's share of imports accounted for 8.5%, while France and the UK accounted for 6.3% each. Japan and the Netherlands accounted for 4.9% and 4.8%, respectively. South Africa was the 44th largest importer and accounted for 0.4%.

Graph 7: Imports and exports of processed vegetables and fruit

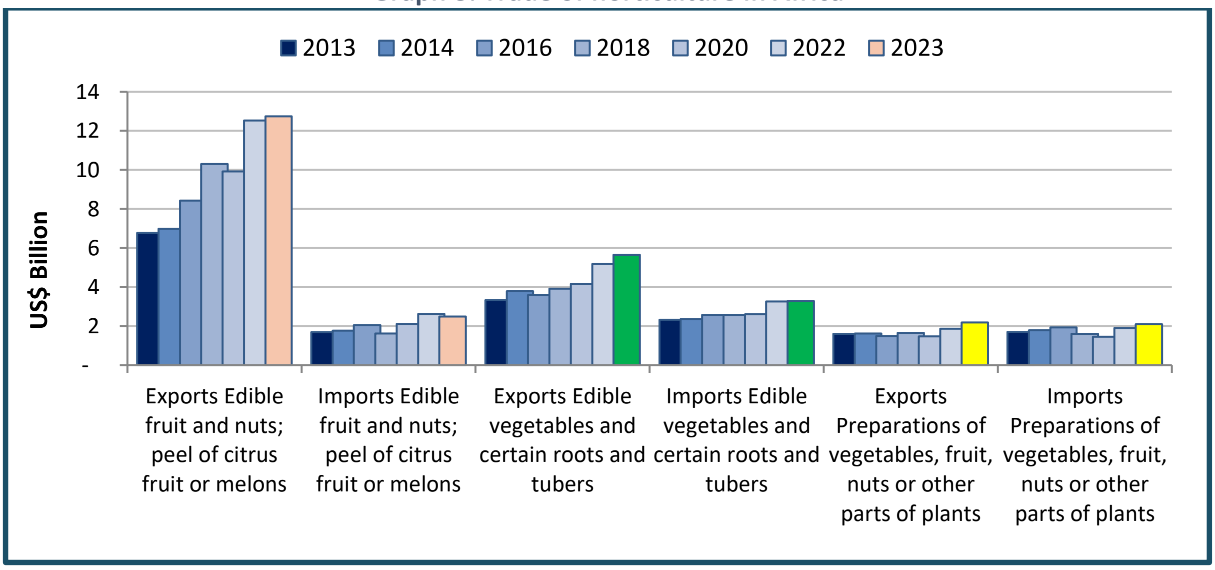


Source: Calculated from Trade map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

3. AFRICA'S TRADE IMPORTS AND EXPORTS OF HORTICULTURE

Trade in horticulture of HS7, 8 and 20 within Africa illustrates that exports of HS8 edible fruit and nuts are the largest exported product. Exports of this category grew by 88% from 2013 to 2023, while imports grew by 48%. Second are exports of edible vegetables, which show a 69% growth rate from 2013 to 2023. Exports of prepared fruit and vegetables grew by 36% in the same period.

Graph 8: Trade of horticulture in Africa



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

As illustrated in Table 1, the largest exported category of HS8 is citrus, nuts, tropical fruit, and berries. Exports of citrus grew by 72% between 2013 and 2023. Citrus includes oranges, mandarins, lemons and clementines. Export of nuts since 2013 also grew by 72% and includes exports of cashews, coconuts-desiccated and Brazil nuts. The top exporters in Africa are mixed from the Southern African Development Community (SADC), and West and East Africa, with prominent exporters – South Africa, Egypt, and Morocco.

Table 1: Exports of edible fruit and nuts in Africa

EXPORTS HS8 EDIBLE FRUIT AND NUTS; PEEL OF CITRUS FRUIT OR MELONS	2013 US$ BILLION	2023 US$ BILLION	TOP EXPORTERS 2023
1. Citrus fruit, fresh or dried	US$1.9	US$3.3	South Africa, Egypt, Morocco, Côte d'Ivoire, Ghana, Nigeria, Tunisia, Tanzania, Cameroon, Kenya
2. Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether shelled or peeled	US$1.5	US$2.6	
3. Dates, figs, pineapples, avocados, guavas, mangoes, and mangosteens, fresh or dried	US$528mil	US$1.4	
4. Fresh strawberries, raspberries, blackberries, back, white, or red currants, gooseberries	US$332mil	US$1.4	
5. Grapes, fresh or dried	US$755mil	US$1	

Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

As illustrated in Table 2, the largest imported category of HS8 is 'other nuts', which includes almonds, walnuts, hazelnuts, and pistachios. Imports of other nuts have almost doubled over the decade. Imports of apples, pears, and quinces have not changed much over the decade and average US$492. Imports of dates and figs grew by 187% from 2013 to 2023. Overall, the largest importers are Morocco, Egypt, Algeria, Libya, and South Africa.

Table 2: Imports of edible fruit and nuts

IMPORTS HS8 EDIBLE FRUIT AND NUTS; PEEL OF CITRUS FRUIT OR MELONS	2013 (US$ MILLION)	2023 (US$ MILLION)	TOP IMPORTERS
1. Other nuts, fresh or dried, whether shelled or peeled	US$347	US$609	Morocco, Egypt, Algeria, Libya, South Africa, Nigeria, Senegal, Ghana, Mauritius, Botswana
2. Apples, pears, and quinces, fresh	US$495	US$491	
3. Dates, figs, pineapples, avocados, guavas, mangoes, and mangosteens, fresh or dried	US$149	US$428	
4. Bananas, incl. plantains, fresh or dried	US$292	US$311	
5. Grapes, fresh or dried	US$76	US$130	

Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

As illustrated in Table 3, the largest exports within the category of HS7 edible vegetables are dried legumes and tomatoes. Both grew by 102% and 139% respectively between 2013 and 2023. Exports of other vegetables and potatoes grew by 14% and 58% respectively in the same period. The largest exporters of this category are Morocco, Egypt, Ethiopia, and Tanzania. Morocco and Egypt are also the world's 13th and 15th largest exporters and contribute 2% to global exports.

Table 3: Exports of edible vegetables

EXPORTS HS 7: EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS	EXPORTED VALUE IN 2013	EXPORTED VALUE IN 2023	TOP EXPORTERS
1. Dried leguminous vegetables, shelled, skinned, or split	US$660mil	US$1.3bn	Morocco, Egypt, Ethiopia, Tanzania, Kenya, South Africa Mozambique
2. Tomatoes, fresh or chilled	US$54mil	US$1.3bn	
3. Other vegetables, fresh or chilled	US$648mil	US$739mil	
4. Potatoes, fresh or chilled	US$296mil	US$467mil	

5.	Leguminous vegetables, shelled or unshelled, fresh, or chilled	US$393mil	US$453mil	Sudan, Senegal Malawi

Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024.

As illustrated in Table 4, the largest imports in this category are dried legumes and onions. Dried legume imports grew by half a billion from 2013 to 2023, while imports from Africa for potatoes have remained fairly constant. The largest importers are Egypt, Algeria, Morocco, and Senegal.

Table 4: Imports of edible vegetables

IMPORTS HS 7EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS	IMPORTED VALUE IN 2013	IMPORTED VALUE IN 2023	TOP IMPORTERS
1. Dried leguminous vegetables, shelled, skinned, or split	US$1.1bn	US$1.6bn	Egypt, Algeria Morocco, Senegal Ethiopia, Somalia South Africa, Djibouti, Libya,
2. Onions, shallots, garlic, leeks, and other alliaceous vegetables, fresh or chilled	US$222mil	US$517mil	
3. Potatoes, fresh or chilled	US$419mil	US$447mil	
4. Other vegetables, fresh or chilled	US$303mil	US$284mil	
5. Vegetables, uncooked or cooked by steaming or boiling in water, frozen	US$102mil	US$111mil	

Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Accessed at www.trademap.org in July 2024

Within the African region, there have been some notable levels of investment in the sector, which may have an impact on driving exports and competition for South Africa. The most notable developments have been in Kenya, Nigeria, Egypt, and Namibia.

Table 5: Developments in Africa in horticulture

COUNTRY	DATE	INVESTMENTS
Namibia	2019	The government, in partnership with a Spanish company, Industrias Alimentarias de Navarra, opened its first asparagus processing factory in the northern region of Omusati.
Kenya	2019	In 2019, the Engineer Foods potato processing plant was opened in Nyandarua County, Kenya, the country's leading potato-producing region. The plant can process a ton of potatoes per hour.
Nigeria	2020	The Dangote Tomato Processing Company resumed production of tomato paste after suspending operations in April 2019, due to an inadequate supply of raw materials. Plant capacity is 1 200 tons of fresh tomatoes per day.
Kenya	2020	The Makueni Fruit Processing factory in Kalamba in Kenya, built a second fruit juice processing line with a capacity of 8 000 litres per hour of ready-to-drink juice. The existing line processes five tons of raw mangoes, producing 3 000 litres of mango concentrate per hour.
Kenya	2020	In June 2020, the second phase of the US$5.6 million fruit processing plant in Shimba Hills, Kubo South Ward in Matuga, Kenya, broke ground.
Nigeria	2020	In June 2020, Spanish agro-processor GBfoods opened a US$51.9 million tomato processing factory in Nigeria, built in partnership with the Central Bank of Nigeria, Kebbi state government and the Emirate of Yauri
Egypt	2020	In August 2020, Kraft Heinz announced that it would invest US$57.6 million in Egypt in the next five years. It will establish 14 new production lines to meet local demand and increase exports. Kraft Heinz Egypt exports about 20% of its products to the Gulf countries and Africa.

Source: Bryden 2020.

4. SOUTH AFRICA AND GLOBAL TRADE IN HORTICULTURE

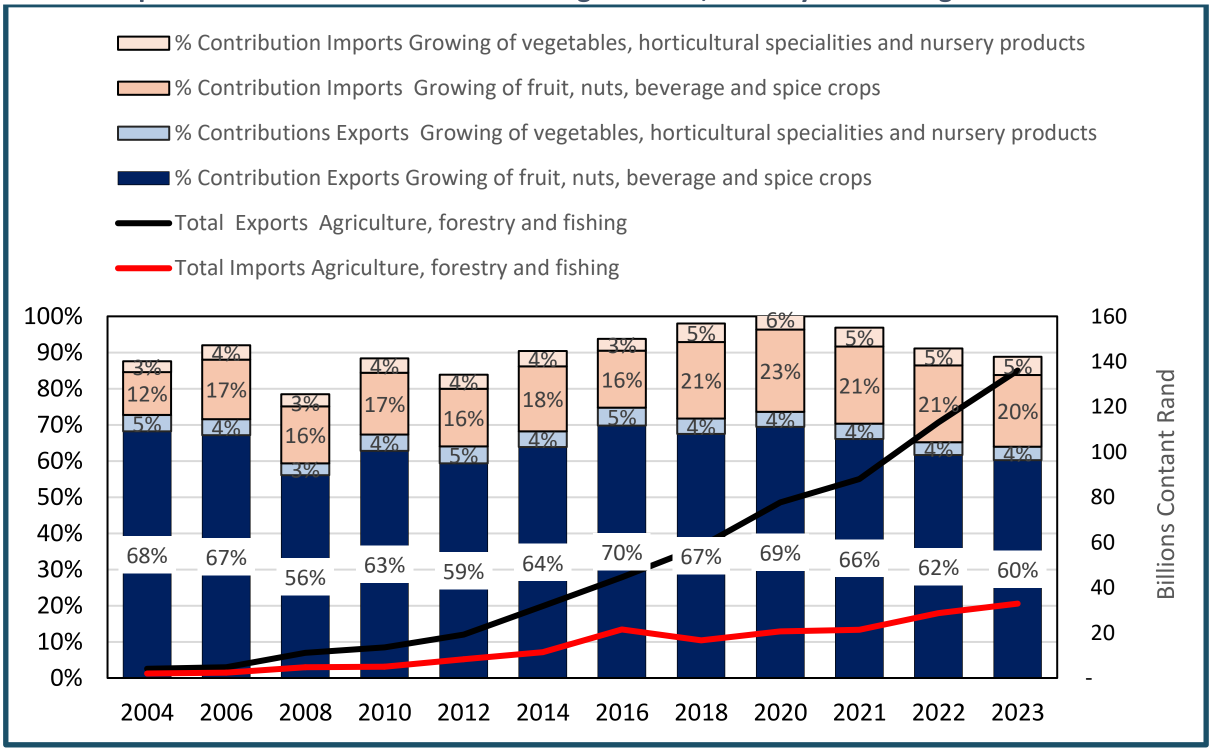
This section used Standard Industrial Classification (SIC) codes to analyse the horticulture contribution to agriculture and the manufacturing sector, as fruit and vegetables cut across both sectors. Generally, South Africa exports 65% of the fruits produced, 11% is consumed locally, and 24% is processed (WoW, 2023).

Graph 9 highlights the share of horticulture to total exports and imports of the agricultural, forestry and fishing sector. Over the years, exports of the Growing of fruit and nuts have declined. In 2016, they contributed 70% and have since dropped to 60%. Imports of the same category remained constant between 2006 and 2016 and contributed 16%. Imports have since grown and contribute an average of 21% to total agriculture imports.

Exports of Growing of vegetables, horticultural specialities and nursery products have remained constant since 2004 and contribute 4% to total exports of agriculture. Imports of the same category have also remained constant and contribute 4% to total agricultural exports.

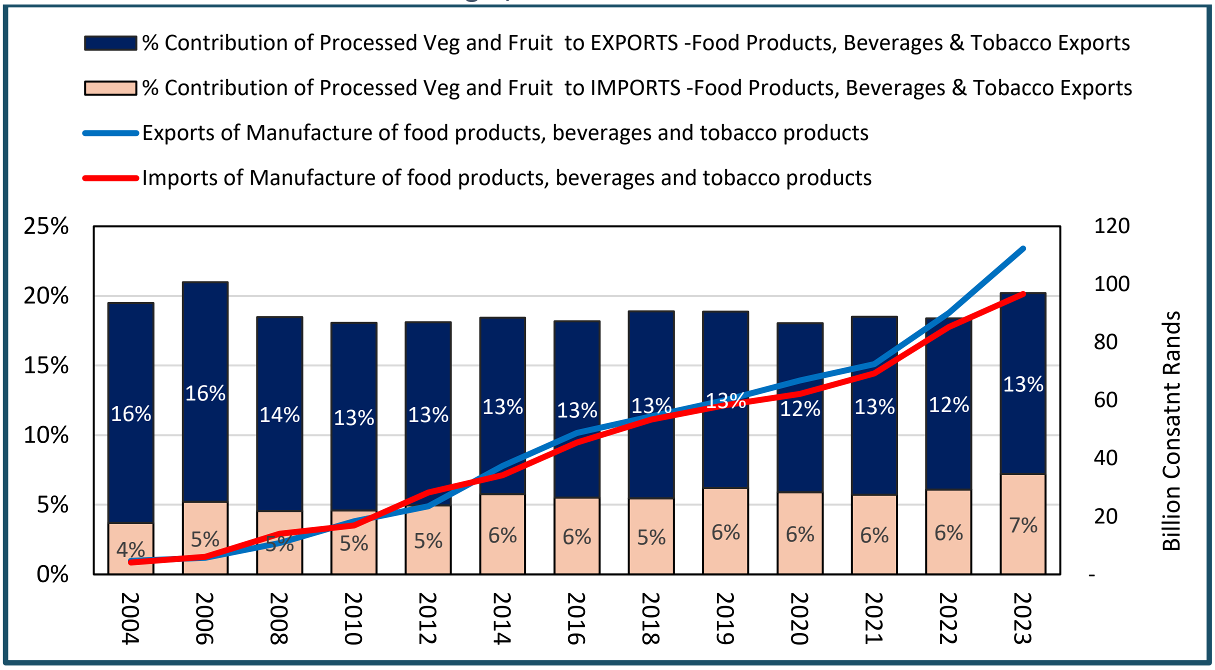
With processed vegetables and fruit, imports and exports have been compared in relation to the trade of Food products, beverages, and tobacco. (Graph 10) Exports of this category contributed an average of 15% to total food products exports between 2004 and 2008. Since then, exports have slightly declined and contributed an average of 13% to total food exports. The contribution of imports of processed vegetables and fruit to total imports in food and beverages has remained constant since 2004 at 5% and 6 %.

Graph 9: Share of horticulture to total agricultural, forestry and fishing 2004 to 2023



Source: Calculated from Quantec, Easy Data. 2024. Series on RSA TRD03 - RSA Trade SIC & BEC SIC1: Agriculture, forestry, and fishing (SIC 1) and Manufacture of food products, beverages, and tobacco products. Accessed at www.easydata.co.za In July 2024. Deflated using CPI.

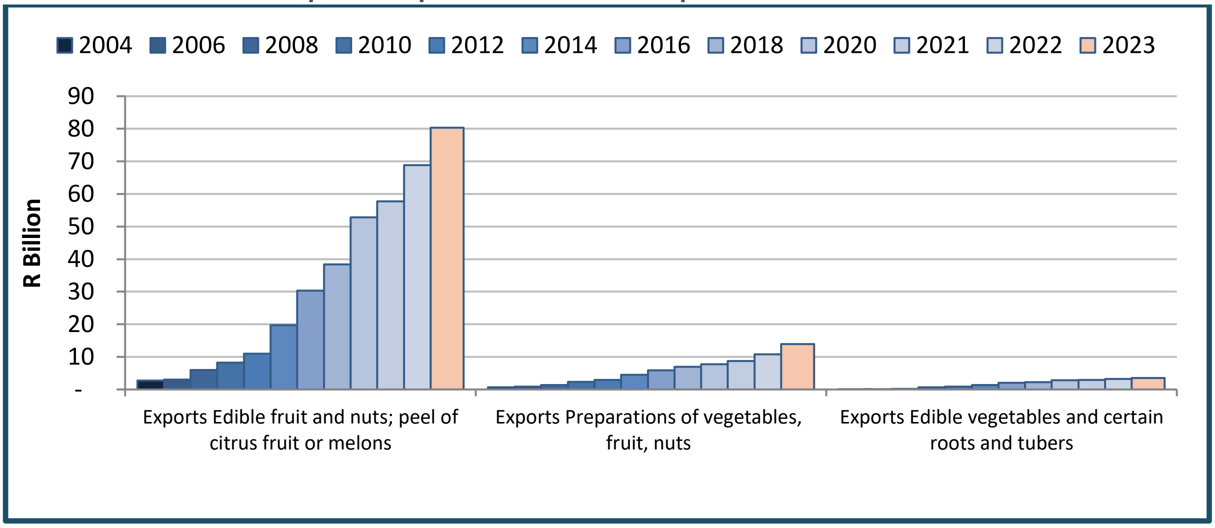
Graph 10: Contribution of processed vegetables and fruit to trade in food, beverages, and tobacco 2004 to 2023



Source: Calculated from Quantec, EasyData. 2020. Series on RSA TRD03—RSA Trade SIC & BEC SIC1: Agriculture, forestry, and fishing [SIC 1] and Manufacture of food products, beverages, and tobacco products. Downloaded at www.easydata.co.za in July 2024. Deflated using CPI.

Edible fruit and nuts are the largest exported products in horticulture. Exports grew from R2.7 billion in 2004 to R80 billion constant rands in 2023, a growth rate of 2862% and contribute 3.94% to total exports of South Africa (Graph 11). Second are exports of Preparations of vegetables, fruit, nuts, which have grown from R703 million in 2004 to R13 billion constant rands and contribute 0.68% to total exports. Third are exports of Edibe vegetables, which totalled R3.5 billion constant rands in 2023 and contributed 0.17% to total exports.

Graph 11: Exports of horticultural products 2004 to 2023

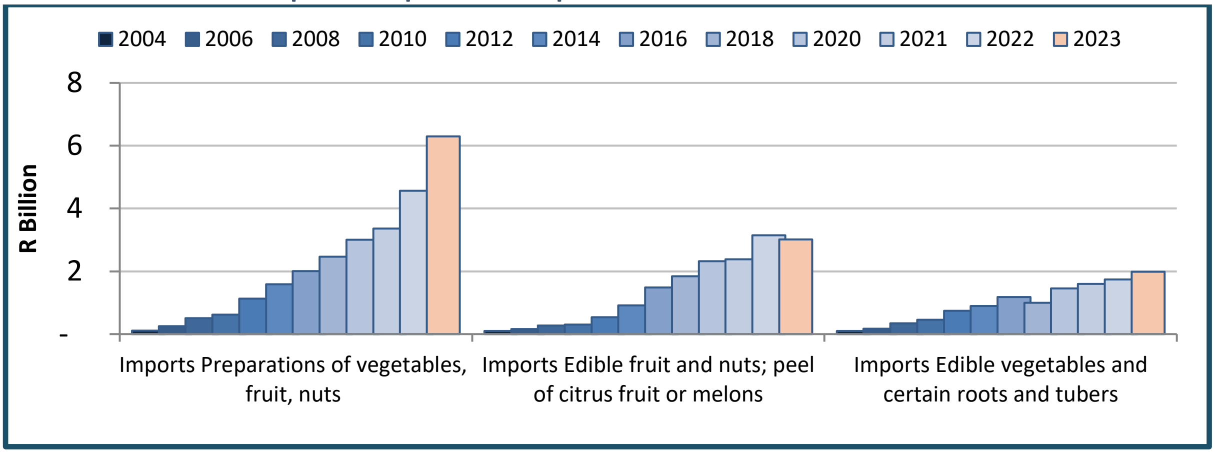


Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024. Deflated using CPI.

The largest imports comprise preparations of vegetables, fruit, and nuts at R6.3 billion constant rands in 2023 and contributed 0.32 % to total imports. Imports of this product have been increasing each year. Imports of Edible fruit and nuts grew from R97 million constant rands in 2004 to R3 billion in

2023, and growth was the largest during the COVID years. Imports of Edible vegetables were R1.8 billion in 2023, contributing 0.1% to total imports.

Graph 12: Imports and exports of horticulture 2004 to 2023

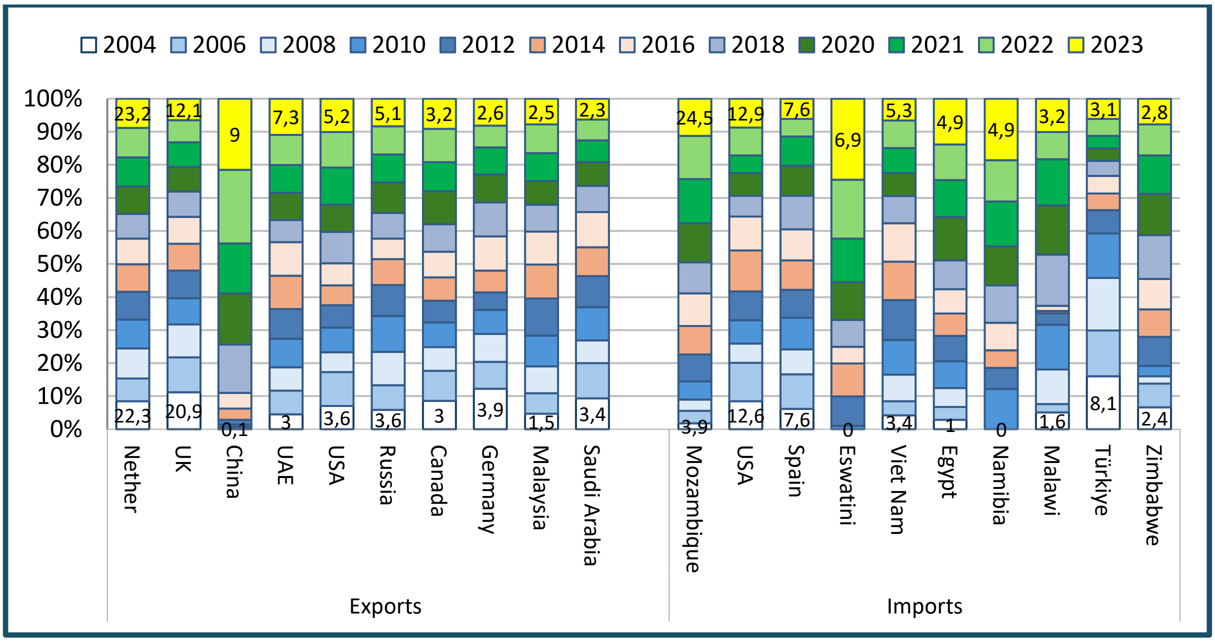


Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024. Deflated using CPI.

Trends of South Africa's exports and imports by source

As illustrated by Graph 12, South Africa's largest exports of edible fruit and nuts are destined for Europe, Asia, and the Americas. Exports to the Netherlands are the largest and have remained almost constant since 2004. They accounted for 23.2% in 2023. These were followed by exports to the UK, which accounted for 12.1% in 2023. Exports to the UK have declined over the years and used to account for 20.9% in 2004. Exports to China have steadily increased from 0.1% in 2004 to 9% in 2023. Similarly, exports to the United Arab Emirates have risen from 3% in 2004 to 7.3% in 2023. Exports to the US and Russia account for 5.2% and 5.1%, respectively. Other exports are to Canada, Germany, Malaysia, and Saudi Arabia.

Graph 13: Top 10 imports and exports by country of HS8 edible fruit and nuts 2004 to 2023



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024.

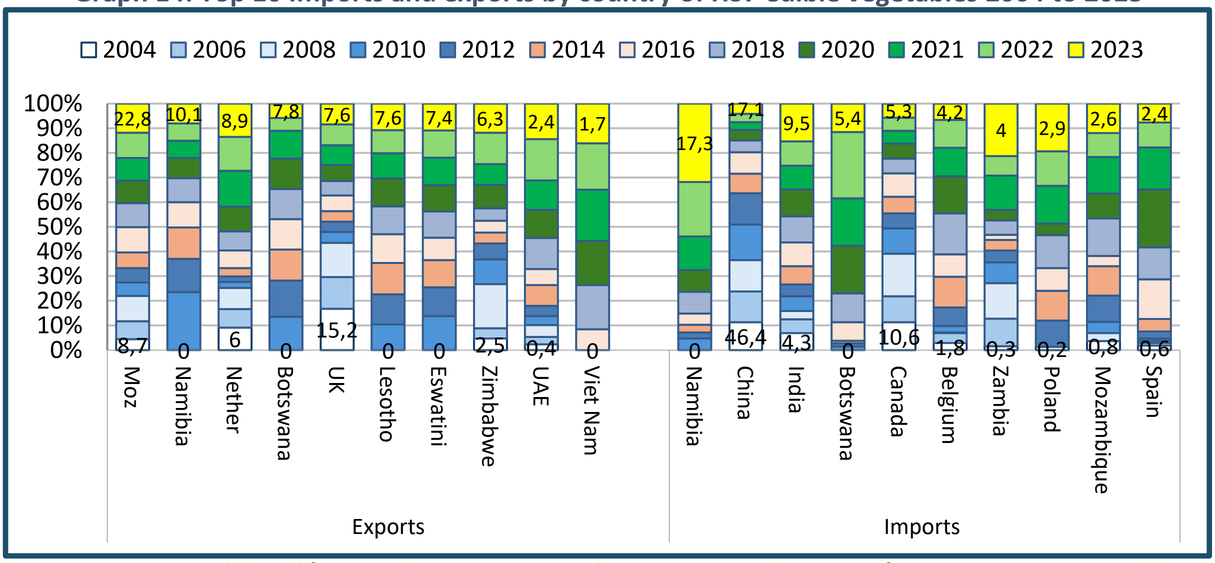
With imports, South Africa's largest base is within the SADC region, and some imports come from Europe and the US. Imports from Mozambique have increased, accounting for 3.9% in 2004 to 24.5% in 2023. Imports from the US have remained stable and account for 12.5%. Imports from Spain and Eswatini account for 7.6% and 7.9%, respectively. South Africa also imports from Vietnam and Egypt, and both account for 5.3% and 4.9%, respectively. Despite some South African Customs Union (SACU) trade issues of protectionism against South African imports, South Africa imports from Namibia account for 4.9%. Imports from Türkiye declined from 8% in 2004 to 3.2% in 2023. Imports from Zimbabwe have dropped since COVID-19 from 4.5% in 2020 to 2.8% in 2023.

Trade in edible vegetables and certain roots and tubers illustrates that the top 10 exports go to the SADC region. Share of exports to Mozambique have risen from 8.7% in 2002 to 22.8% in 2023. Exports to Namibia have declined; in 2010, exports accounted for 29% and currently account for 10.1%. Similarly, exports to Botswana also declined from 18.1 % in 2010 to 7.8% in 2023. Exports to Namibia and Botswana have been affected by the ban on selected products, which include vegetables, by SACU countries. The ban may infringe on customs union trade agreements, while at the same time may be considered reasonable considering industry protection to boost the local agro-industry. Outside of the SADC region, the Netherlands accounts for 8.9% and the UK 7.6%. UK exports have also declined over the years and used to account for 15.2% in 2004. Other notable exports are to Lesotho and Eswatini, which accounted for 7.6% and 7.7%, respectively.

Imports of this category vary between SADC, Asia and mostly Europe. Despite the ongoing trade bans in SACU, South Africa's largest imports in 2023 emanated from Namibia, and accounted for 17.3%. imports from China have declined and accounted for an average of 52% between 2006 and 2012; in 2023, they accounted for 17.1%. Imports from India account for 12.1% while imports from Botswana account for 5.4%. Imports from Canada declined from 10.6% in 2004 to 5.3% in 2023. Other imports originate from Belgium, Zambia, Poland, Mozambique, and Spain.

Top exports of preparations of vegetables, fruit, nuts, or other parts of plants are destined across the globe (Graph 14). The Netherlands accounts for 14.4% of exports, up from 9.8% in 2004. Exports to the US and Botswana account for 9.5% and 9%, respectively. Exports to Namibia have remained almost constant since COVID-19 and account for an average of 6.7%. Exports to the UK have declined by almost half; they accounted for 8.6% in 2004 and 4.7 in 2023. Exports to Mozambique and Zimbabwe account for 4.5% and 4.3%, respectively. Other exports go to Germany, Japan, and Eswatini.

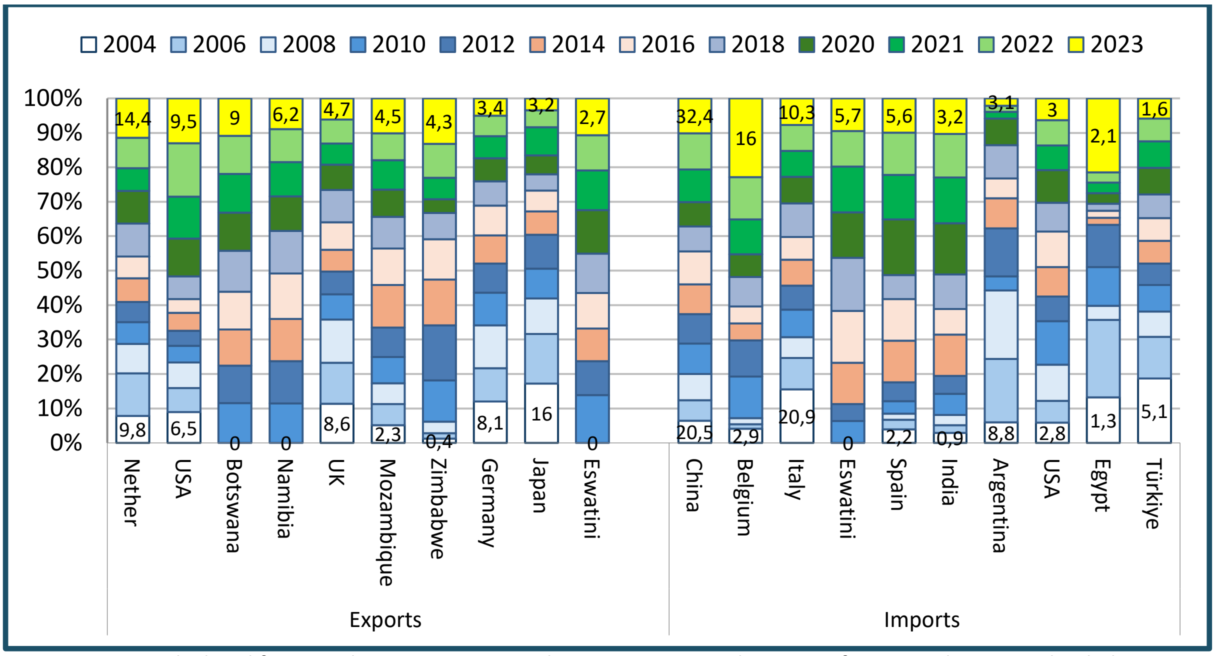
Graph 14: Top 10 Imports and exports by country of HS7 edible vegetables 2004 to 2023



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024.

Imports of this category emanate from China. Imports from China accounted for 20% in 2004 and accounted for 32.4% in 2023. Imports from Belgium have grown over the years, accounting for 2.9% in 2004 to 16% in 2023. Imports from Italy have declined by half and account for 10.3%. Imports from Eswatini and Spain account for 5.7% and 5.6%, respectively. Imports from India, Argentina and the US similarly account for 3.2%, 3.1% and 3%, respectively.

Graph 15: Top 10 imports and exports by country of HS20 processed vegetables and fruit 2004 to 2023



Source: Calculated from Trade Map. Interactive dataset: Imports and Exports of HS7,8 and 20. Downloaded at www.trademap.org in July 2024.

Exported and imported horticulture products by South Africa

Table 6 illustrates the main exports of citrus. Almost 73% of oranges are exported, 90% of soft citrus, 70% of lemons and 72% of grapefruits. With deciduous fruit, 45% of apples are exported and 48% of pears. With stone fruits, 16% of grapes are exported, 13% of peaches and 9% of apricots.

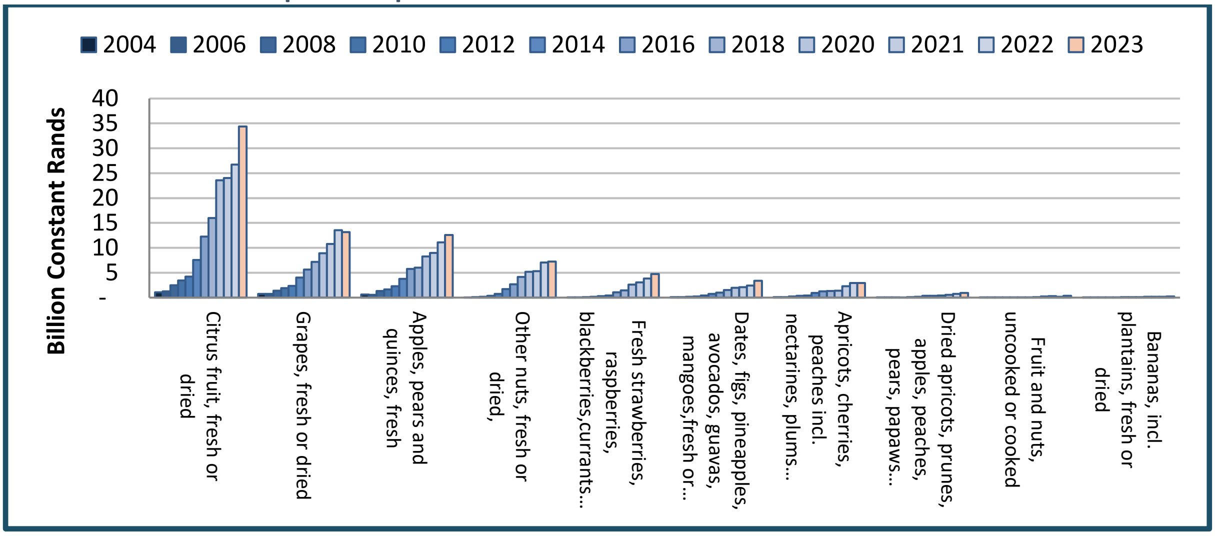
Table 6: Production and exports of different horticulture products 2021/2022 season

PRODUCT	PRODUCTION TONS	EXPORTED TONS	% EXPORTS
Oranges	1 614 847	1 173 060	73%
Apples	1 231 737	559 630	45%
Soft Citrus	520 613	467 020	90%
Lemons	656 004	462 079	70%
Grapes	2 064 742	335 747	16%
Pears	548 965	264 483	48%
Grapefruit	352 619	255 464	72%
Peaches	201 254	26 761	13%
Apricots	30 616	2 829	9%

Source: DALRRD. 2023. Abstract of Agriculture Statistics. Series Horticulture. Downloaded at https://old.dalrrd.gov.za/Portals/0/Statistics%20and%20Economic%20Analysis/Statistical%20Information/Abstract%202023.pdf in July 2024.

The largest exported product of edible fruit and nuts is citrus. Exports of citrus have grown by 3195% from R1 billion to R34 billion constant rands in 2023 (Graph 16). Within citrus, oranges, mandarins, tangerines, grapefruits, and lemons comprise of the five largest exported products. Second are grapes with exports values of R13billion in 2023. Deciduous fruit are the third largest exported product. Exports of apples, pears, and quinces accounted for R12 billion constant rands in 2023. The fourth largest exports of nuts (including macadamia, almonds, pistachios, and walnuts) accounted for R7 billion constant rands. Other notable exports are berries of different kinds of i.e. strawberries, raspberries etc, stone fruit such as apricots, prunes, and bananas.

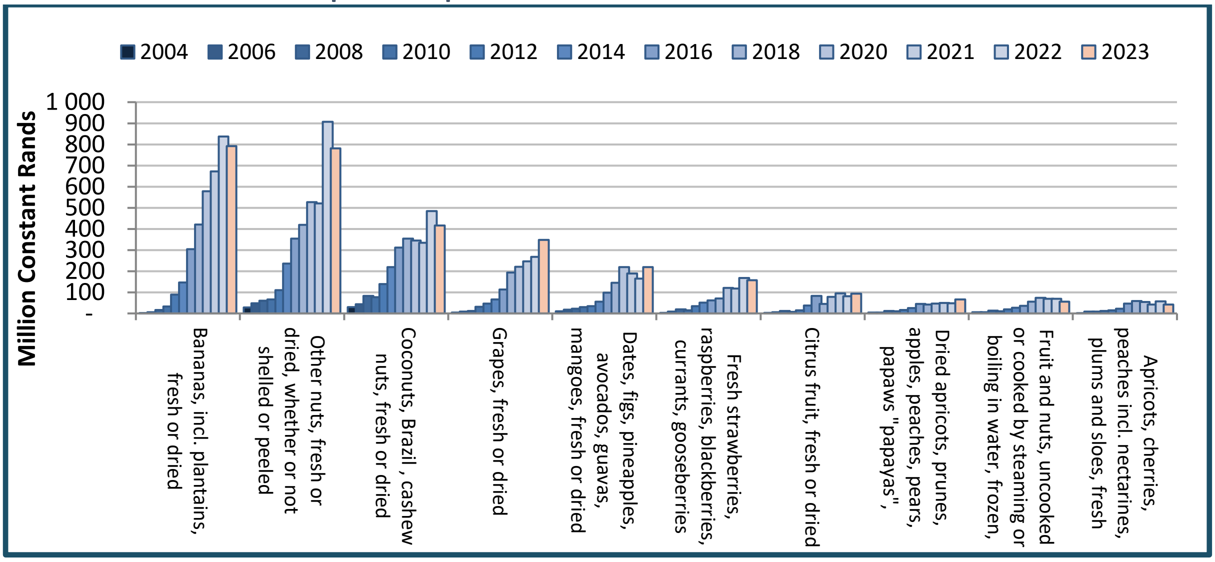
Graph 16: Exports of HS8 edible fruits and nuts 2004 to 2023



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024

The largest imports within edible fruit and nuts are bananas, which contributed R792 million constant rand in 2023. These are followed by imports of other nuts, which contributed R781 million constant rand. Imports of coconuts and grapes contributed R416 million and R347 million each in constant rands. Other imports include dates, figs, pineapples, citrus, and dried apricots, among others.

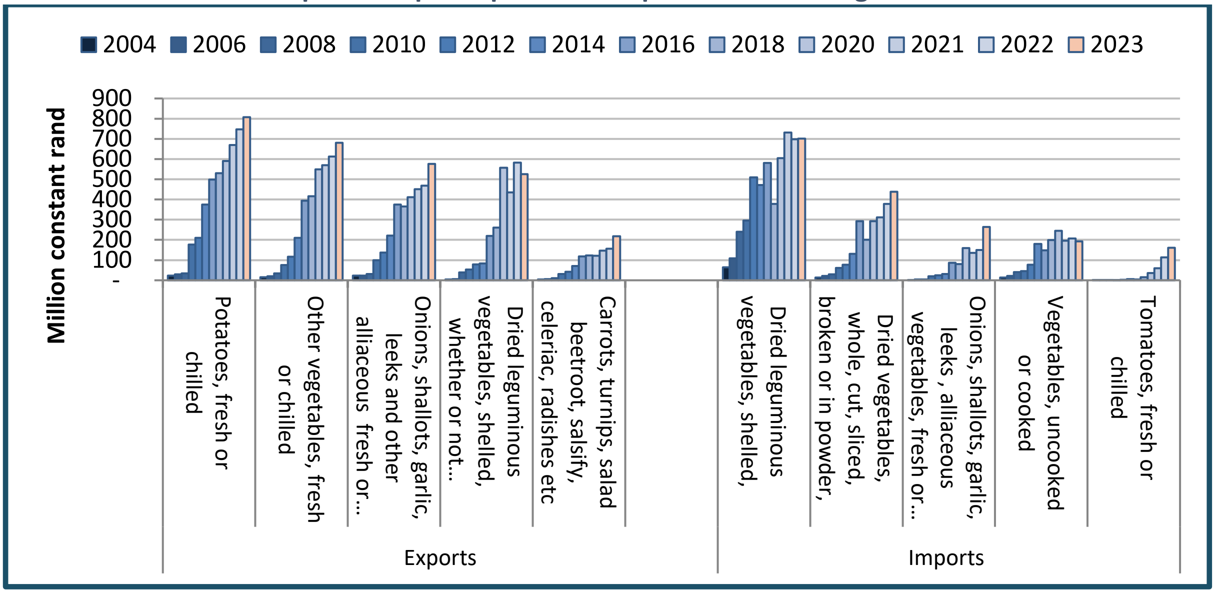
Graph 17: Imports of edible fruit and nuts 2004-2023



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024.

The largest exported product of edible vegetables and certain roots and tubers are potatoes, fresh or chilled, with exports contributing R807 million constant rands in 2023 (Graph 18). Exports of potatoes grew from 12% in 2020 to 26% in 2022. Other vegetables, fresh or chilled (which include pumpkin squash, mushrooms), contributed R680 million in constant rands. Exports of vegetables such as onions, shallots, garlic and carrots, and turnips. contributed R575 million and R525 million in constant rands, respectively. Imports are mostly dominated by dried leguminous vegetables and dried vegetables which contributed R701 million and R438 million constant rands. Other imports include other vegetables and tomatoes.

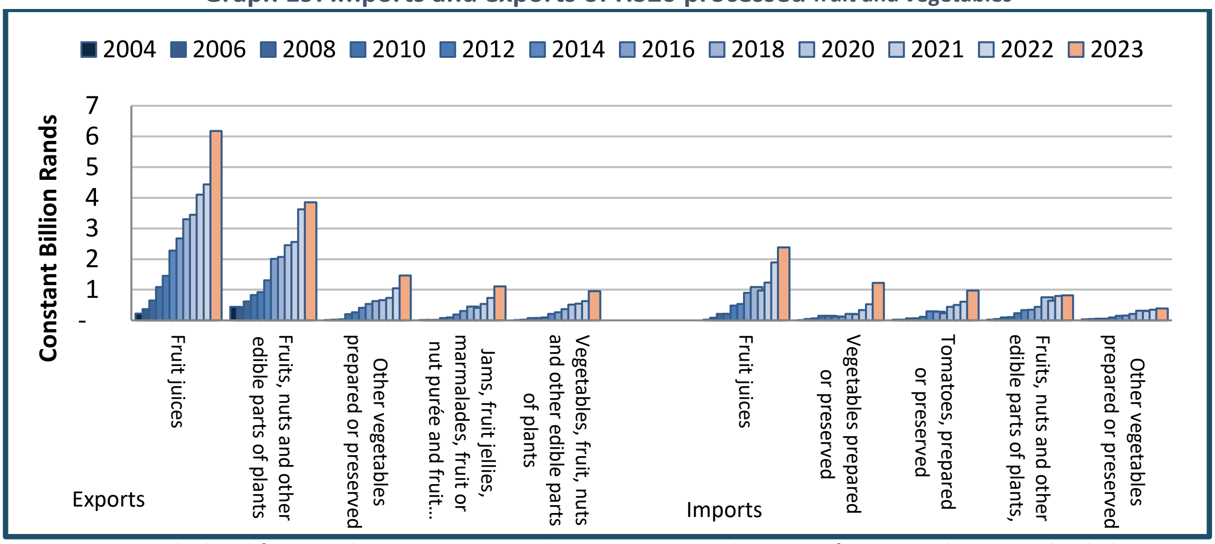
Graph 18: Top 5 Imports and exports of edible vegetables



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024.

According to Who Owns Whom (2020), approximately 80% of canned fruit is exported annually, while less than 10% of vegetable preparations are exported. Most vegetables are otherwise prepared or preserved by vinegar or acetic acid, or frozen. The largest exported product are fruit juices that also comprise mixtures of vegetable juices. Fruit juice exports continue to grow year-on-year and accounted for R6.1 billion constant rands in 2023. The second largest exports comprise of prepared or preserved fruits and nuts, which contributed R3.8 billion constant rands. Other exports comprise other vegetables and jams, fruit jellies and marmalades, which contributed R1.4 and R1.1 billion constant rands. Imports are comprised of fruit juices, mainly apples, grapes, cranberries, and pineapples and contributed 2.3 billion constant rands. Other imports comprise of vegetables and tomatoes prepared or preserved, which contributed R1.2 billion and R972 million constant rands.

Graph 19: Imports and exports of HS20 processed fruit and vegetables



Source: Calculated from Trade Map. Interactive dataset Imports and Exports of HS7, 8 and 20. Downloaded at www.trademap.org in July 2024.

5. OPPORTUNITIES AND CHALLENGES AFFECTING EXPORTS

Opportunities

The National Agricultural Marketing Council as quoted in (WoW 2023) has noted ''that with government assistance through trade agreements, South African producers and exporters should target countries like China, South Korea, Japan, Vietnam, Taiwan, India, Saudi Arabia, the Philippines and Bangladesh through bilateral trade agreements as they have large populations, promising economic prospects, and heavy reliance on agricultural imports, especially for fruit''. The Citrus Growers' Association of Southern Africa (CGA) has made efforts. In 2023, CGA (Annual Report 2023) reported that 2021 was the first year that South Africa exported citrus to the Philippines. The volumes shipped varied between 1 000 and 2 000 pallets. Volumes are restricted due to shipping opportunities and the cost of shipping. This market holds the potential for additional volumes in the future. Vietnam's Plant Protection Department has conducted site visits to South Africa, and while most Sanitary and Phytosanitary (SPS) issues, such as packhouse procedures and mitigation for Auspicious Neri and Pseudomonas syringae have been addressed, concerns about fruit flies remain. Despite scientific evidence from CGA-SA showing that fresh citrus is not a host, Vietnam continues to raise this issue, and the matter is still being resolved.

With Japan, it has been noted that several engagements have been conducted, and the Japan Ministry of Agriculture, Forestry and Fisheries, which only deals with one market access request from a country at a time, is dealing with exports of avocados and then with citrus market access once completed (CGA 2023). The Indian authorities, in 2022, requested South Africa to send two new trial shipments of soft citrus. The first container left South Africa in the first week of July 2022, and the second in the third week of July. The cold treatment was successful. Although the Department of Agriculture, Land Reform and Rural Development (DALRRD) has not received any response from the Indian authorities on the matter of cold treatments, exports to India have shown an upward trend, increasing by almost 30% to 24 000 pallets (CGASA 2023). CGA has noted that Citrus Research International has provided inputs to the Phytosanitary Requirements and Working Procedures for the export of citrus from South Africa to Taiwan, Thailand, Philippines, South Korea, China, the US, and Japan to help boost trade (CGA 2023).

African Growth and Opportunity Act (AGOA)

AGOA grants duty-free access to 40 Sub-Saharan African countries to the US markets. According to Meintjies (2024), "Reports from the US have indicated that 30 African countries will keep duty-free exports to the US market for this period, including the Western Cape citrus growers, the only area in South Africa allowed to ship citrus to the US". However, with ongoing changes in US foreign policy, the future of the agreement remains uncertain, as it is up for renewal in September 2025. The Summer Citrus campaign has been a feature of South African shipments to the US for more than two decades and has grown to annual volumes of more than 100 000 tonnes. South Africa is one of the US' biggest beneficiaries, exporting cars, fruit, and wine, among other products."

Challenges in the exports of horticulture

SPS measures have been a challenge for South African horticultural exports. The latest restrictions emanate from the EU. In mid-2022, the EU imposed measures concerning the importation of citrus fruit from South Africa. The restrictions are based on the "thaumatotibia leucotreta" or false codling moth, a citrus pest commonly found in Sub-Saharan Africa, and citrus black spot, a fungal disease which leaves dark spots on fruit. To be listed as a quarantine pest, the pest must pose a risk, and the trade must be a pathway for the pest to enter the EU (WoW 2023). It has been reported that in most cases of citrus black spot, a lot of countries accept fruit without leaves, so they do not spread the disease. The local industry requested government to lodge a dispute with the WTO. This was lodged in June 2024, and the WTO published that “South Africa has requested the establishment of two dispute panels to review European Union measures affecting the import of South African citrus fruit into the EU. The request was considered at a meeting of the Dispute Settlement Body on 24 June. This is the first time that South Africa has requested the establishment of a panel under the WTO’s dispute settlement system” (WTO 2024:1).

The WTO (2024:1) reported that “South Africa said that in both cases, the EU measures were not based on scientific principles, are maintained without sufficient scientific evidence, and are more trade-restrictive than necessary to achieve the EU's appropriate level of protection.” South Africa also highlighted that the EU failed to account for regional differences with regard to pest risk in the application of the measure. The measures are having a severe impact on South Africa’s citrus exports, which provide jobs for more than 140 000 people in the country, it added. Moreover, it was reported that the measures affect other countries in the region that depend on South Africa’s infrastructure for their citrus fruit exports (WTO 2024). The dispute is ongoing.

The cold chain management is fundamental for products that are exported to markets such as the EU, which have extremely strict requirements regarding temperature and times to ensure safe consumption (WOW 2023). According to Justin Chadwick (2023), the CEO of Citrus Growers’ Association of Southern Africa, the coddling moth regulations passed by the EU to South Africa require that all oranges shipped to the EU must be pre-cooled to below 2°celcius and then maintained for 20 days. Complying means growers will have to use extremely costly, specialised and severely short-supplied container equipment, which will be unable to accommodate the huge volumes of fruit exported from ports in South Africa to the EU. Compounding this problem is the impact of ongoing loadshedding on the citrus value chain. It should be noted that the government has exempted ports from power cuts passed under the national state of disaster; however, “cold stores located outside the port terminals will struggle to precool oranges to below 2°C and maintain this temperature before the containers enter the ports and are shipped to the EU” (Chadwick 2023:1).

Exports of horticulture have been coupled with the ongoing decay of public infrastructure such as roads, rail and ports, and erratic electricity supply. In 2022, exports of table grapes and other deciduous fruit were disrupted at the Port of Cape Town, with cargo ships delayed by 14 days due to a lack of investment and maintenance of critical infrastructure at the port. This resulted in exporters absorbing the additional financial cost as they sought alternative ways to transport their produce. Such logistical challenges and supply chain disruptions at the ports have not only negatively affected the profitability of exporters but have also dampened trade within the sector (Nyakabawo 2024).

Exports have also been exacerbated by the SACU trade import restrictions. As noted, earlier, exports of vegetables to Botswana and Namibia have been banned to protect local farm producers. The list of banned products includes tomatoes, beetroot, carrots, cabbage, lettuce, potatoes, garlic, onions, turmeric, and ginger from South Africa (the dtic, n.d.).

Global trade and the effect of various countries' tariff measures

Industrial policy often looks at tariffs applied by other countries to protect their industry and weighs the implications for the local industry. However, a benchmark on tariffs for fruit and vegetables is dependent on many factors such as food security driven (by weather conditions or war), multilateral and bilateral trade agreements, trade policy (supporting localisation) and competition (i.e. balancing scales because of the effect of subsidies or commodity prices). As such, tariff protection or free trade is usually shaped by a myriad of factors specific to a country or group. Nonetheless, other aspects of tariffs are important as they can function as constraints or blockages to trade and, at the same time, be necessary for food safety. Some of these include Specific Trade Concerns (STCs) related to SPS measures, Technical Barriers to Trade (TBT), and issues raised at the Committee on Market Access at the WTO, all of which can have significant implications for international trade. Table 7 illustrates the nature of trade concerns raised from 2021 to 2024. The most raised Non-Tariff Barriers were against China. Between 2020 and 2024, 14 concerns were raised against China on Draft Administrative Measures for Registration of Overseas Producers of Imported Foods (ID 611). Among other clauses are regulations formulated to strengthen the registration management of overseas production enterprises of imported food, and the management of overseas production, processing and storage enterprises that export food to China.

Table 7: HS8 Edible fruit and nuts trade concerns raised

DOMAIN	TITLE	MEMBER(S) RAISING TRADE CONCERN	FIRST DATE RAISED	LAST DATE RAISED	TIMES RAISED
TBT	China – Packaging requirements for Edible Agricultural Products (ID 804)	India; Philippines	21/06/2023	08/11/2023	2
TBT	Argentina – Decree Implementing Law No. 27.642 on the Promotion of Healthy Eating (ID 772)	United States; Costa Rica	16/11/2022	13/03/2024	5
TBT	European Union – Withdrawal of the approval of the active substance alpha-cypermethrin (ID 694)	Kenya, Brazil	02/06/2021	05/06/2024	10
TBT	India – Order related to requirement of a Non-GM cum GM free certificate accompanied with imported food consignment (ID 651)	EU, US, Brazil	28/10/2020	05/06/2024	12
TBT	European Union – Non-renewal of the approval of the active substance mancozeb (ID 627)	Ecuador, Kenya, Paraguay, Guatemala, India, Costa Rica, Indonesia, USA, Nicaragua, Brazil, Colombia	13/05/2020	05/06/2024	13
TBT	India – Draft Food Safety and Standards (Labelling and Display) Regulations (ID 613)	EU, US	26/02/2020	26/02/2020	1
TBT	China – Draft Administrative Measures for Registration of Overseas Producers of Imported Foods (ID 611)	EU, India, Indonesia, US, Japan, Kenya, South Korea, Australia, Mexico, Brazil, Philippines, Canada, Taiwan, Switzerland	26/02/2020	05/06/2024	14
SPS	India's suspension of imports of apples, pears, and marigold seeds (ID 572)	China	15/11/2023	26/06/2024	3
SPS	US undue delays in the publication of import	Chile	15/11/2023	26/06/2024	3

DOMAIN	TITLE	MEMBER(S) RAISING TRADE CONCERN	FIRST DATE RAISED	LAST DATE RAISED	TIMES RAISED
	requirements for table grapes under a systems approach (ID 570)				
SPS	US delays in the authorisation of sweet citrus fruits (ID 569)	Argentina	15/11/2023	26/06/2024	3
SPS	Thailand's phytosanitary restrictions on imports of fresh citrus fruits due to sweet orange scab (ID 470)	Japan	24/06/2020	14/07/2021	4
SPS	The US high cost of certification for mango exports (ID 373)	India	09/07/2014	09/11/2022	8

Source: WTO Series on Database Trade Concerns. Series HS8 and HS7. Downloaded from https://tradeconcerns.wto.org/en/explore/hs_products?searchParameterHSCodes=20 in July 2024.

In terms of HS7 Edible vegetables, the largest number of issues raised were against the EU on the Maximum Residue Levels, with 11 countries raising concerns. These were followed by concerns raised against India related to the requirement of a 'Non-GM CUM GM-free certificate,' accompanied with the imported food consignment (ID 651).

Table 8: HS7 Edible vegetables trade concerns

DOMAIN	TITLE AND COUNTRY	MEMBER(S) RAISING TRADE CONCERN	FIRST DATE RAISED	LAST DATE RAISED	TIMES RAISED
TBT	Argentina – Decree Implementing Law No. 27.642 on the Promotion of Healthy Eating (ID 772)	US, Costa Rica	16/11/2022	13/03/2024	5
TBT	Panama – Onions and Potatoes Harvest Life and Sprouting Requirements (ID 662)	US; Canada	28/10/2020	21/06/2023	8
TBT	India -–Order related to requirement of Non-genetically modified (GM) cum GM-free certificate accompanied with imported food consignment (ID 651)	EU; US; Brazil	28/10/2020	05/06/2024	12
SPS	EU Maximum Residue Levels MRLs for alpha-cypermethrin, buprofezin, chlorothalonil, chlorpyrifos, chlorpyrifos-methyl, cypermethrin, diflubenzuron, ethoxysulfuron, glufosinate, imazalil, ioxynil, iprodione, mancozeb, molinate, picoxystrobin and tepraloxydim (ID 448 – See also related STCs ID 453, 454, 457, 474, 475, 517)	Dominican Republic, China, Ecuador, US, Guatemala, India, Panama, Peru, Paraguay, Colombia, Costa Rica, Côte d'Ivoire	01/11/2018	26/06/2024	17

Source: WTO. Series on Database Trade Concerns. Series HS8 and HS7. Downloaded from https://tradeconcerns.wto.org/en/explore/hs_products?searchParameterHSCodes=20 in July 2024.

6. FOREIGN DIRECT INVESTMENT IN HORTICULTURE IN SOUTH AFRICA

This section presents trends in FDI in the horticulture industry in South Africa. It should be cautioned that fruit and vegetables are also inputs into other industries, for example, non-alcoholic beverages, confectionery, dairy, bakery, and baby food, as such investments can occur in those companies without necessarily being captured. Nonetheless, according to the TIPS FDI Tracker covering 2016–2023Q3, most FDI investments in the food and beverage sector or agriculture have been towards building new and ramping up facilities in mainly breweries, followed by dairy and coffee mixes, vegetable oils and bakeries.

In relation to horticulture, two were captured, namely, in 2023, TERRAGRN, with an investment of R35.1 billion in Mpumalanga. TERRAGRN is based in the United Kingdom and transforms degraded and underutilised land into biodiverse agroforests. The company is developing a sustainable, biodiversity-compliant agroforest that will comprise over 200 million trees across 200 000 hectares of land in Mpumalanga. The plan is to accomplish this by 2030. A third of the agroforest will consist of non-invasive varieties of bamboo plants, the rest of the forest will comprise fruit trees, cereal crops, indigenous cover crops (intercrops) and indigenous trees (Maseko et al., 2023).

In 2022, Lotus Bakeries from Belgium, which operates in the Western Cape, invested R170 million in South Africa's food products sector. It manufactures products under the brand BEAR, comprising food snacks made from whole fruits, targeted at children. Lotus opened the first manufacturing facility in 2019, a second in 2021, and a third (which is the focus of this investment was expected to be opened by 2023 (Maseko et al, 2023).

Foreign companies in South Africa

The fruit and vegetables sector in South Africa is dominated by several foreign companies with various shareholding percentages. The table below illustrates that several foreign companies are European-based, with most parent companies based in the UK, France, Spain, Austria, and the Netherlands. In Africa, Mauritius has several parent companies operating in South Africa.

Table 9: Foreign companies in South Africa

COMPANY	YEAR	PROVINCE	EMPLOYEES	NATURE OF BUSINESS	THE HOST COUNTRY OF THE COMPANY
Agrana Fruit South Africa (Pty) Ltd	1998	Gauteng	89	AGRANA Fruit South Africa (Pty) Ltd processes and manufactures syrups, fruit preparations and compounds, supplying in bulk to fruit juice companies, dairies, ice cream, bakeries, beverage, and food service industries. There is one factory in Johannesburg.	Austria
AMFRESH South Africa (Pty) Ltd	2003	Western Cape	26	AMFRESH South Africa (Pty) Ltd exports fruits, such as citrus and grapes. The company also Breeds citrus, tests, and commercialises new cultivars for primary production by purchasing farms for private production purposes. Seven operational	Spain Munoz Group South Africa (Pty) Ltd – 100%

COMPANY	YEAR	PROVINCE	EMPLOYEES	NATURE OF BUSINESS	THE HOST COUNTRY OF THE COMPANY
				centres in Spain, the UK, South Africa, and North America	
Boschendal (Pty) Ltd	2002	Western Cape	300	Boschendal (Pty) Ltd engages in the growing of wine grapes and operates as a property-owning company. The grapes are sold to DGB (Pty) Ltd. The company also undertakes agricultural tourism.	Cyprus Canonbys Ltd – 90%; Tondox (Pty) Ltd – 10%
Crookes Brothers Ltd	1913	KwaZulu-Natal	3161	Crookes Brothers Ltd specialises in the production of primary agricultural products, including sugar cane, bananas, deciduous fruit, and macadamia nuts, with operations located in the Western Cape, KwaZulu-Natal, and Mpumalanga provinces of South Africa, as well as in Eswatini, Zambia, and Mozambique.	Luxembourg
Del Monte Fruits (South Africa) (Pty) Ltd	2007	Western Cape		Del Monte Fruits (S A) is involved in food processing, preserving, manufacturing, and exporting of canned fruit and vegetables, canned tomatoes, tomato juice, tomato sauce, condiments, fruit and vegetable puree & juice and fruit cup snacks. The company has 1 production plant.	Netherlands Fresh Del Monte Produce Nv – 100.00%
Delaire (Pty) Ltd	2003	Western Cape	300	Delaire operates an estate winery, lodge, spa, and restaurants. Delaire Graff Estate grows grapes, produces 450 tons of grapes per annum, and produces wine.	United Kingdom Graff Diamonds International 100.00%
Eastern Produce Cape (Pty) Ltd	1994	Western Cape	40	Eastern Produce Cape (Pty) Ltd t/a Linton Park Wines engages in the growing of vineyards as well as the production of wine.	United Kingdom
Eastern Produce Estates (Pty) Ltd	1963	Limpopo	90	Eastern Produce Estates South Africa (Pty) Ltd grows, harvests and exports macadamia nuts.	United Kingdom Eastern Produce (Pty) Ltd – 100.00%
Fruit Farm Group (Pty) Ltd	1952	Western Cape	3267	The Fruit Farm Group South Africa (Pty) Ltd engages in farming and exporting of deciduous and subtropical fruit such as avocado pears, oranges, grapes, apples, and bananas.	France Univeg Katope France Sas – 100.00%

COMPANY	YEAR	PROVINCE	EMPLOYEES	NATURE OF BUSINESS	THE HOST COUNTRY OF THE COMPANY
Haygrove Heaven (Pty) Ltd	1997	Western Cape	600	Haygrove Heaven (Pty) Ltd farms and exports raspberries, blueberries, strawberries, and blackberries. There are four farms.	UK Haygrove Ltd – 82.00%
Lanzerac Estate Investments (Pty) Ltd	1959	Western Cape	24	Lanzerac Wines produces and bottles wine. The company exports approximately 55% to Europe, the United Kingdom, and the United States of America. Wine tasting is also offered.	British Virgin Islands Pavilion Capital Investments Ltd – 100.00%
Libstar Holdings Ltd	2014	Western Cape	7145	Denny, under Libstar, is a producer of fresh mushrooms.	Mauritius
McCain Foods (South Africa) (Pty) Ltd	2000	Gauteng	1000	McCain Foods (South Africa) (Pty) Ltd engages in the manufacturing, processing, and retailing of frozen vegetables, potato products, prepared meals, and oven-ready entrees. The company has two production facilities situated in Springs and Delmas and exports to more than 130 countries.	Canada
Morgenster (1711) (Pty) Ltd	1992	Western Cape	62	Morgenster (1711) (Pty) Ltd is a farm which splits its cultivation between olive trees and grape vines. The grapes and olives are harvested, bottled, and then sold. The company specialises in four Bordeaux red wine cultivars: Cabernet, Merlot, Cabernet Franc, and Petit Verdot and has also planted small quantities of Italian varieties, Nebbiolo and Sangiovese. Products are exported worldwide.	Switzerland Tasso Foundation – 100.00%
Munoz Group South Africa (Pty) Ltd	2011	Western Cape		Munoz Group South Africa (Pty) Ltd operates as a holding company for its subsidiaries involved in the growing and exporting of citrus fruit.	United Kingdom Amc Farming Ltd – 100.00%
Pioneer Food Group (Pty) Ltd	1996	Western Cape	10181	Pioneer Food Group (Pty) Ltd engages in the production, distribution, and marketing of branded food and beverage products. The group operates in South Africa with exports to over 80 countries. Essential Foods, which manufactures pasta, wheat, and maize products, packages rice, beans, and other dried	US Pepsico South Africa (Pty) Ltd – 100.00%

COMPANY	YEAR	PROVINCE	EMPLOYEES	NATURE OF BUSINESS	THE HOST COUNTRY OF THE COMPANY
				vegetables, and has large bakery operations. Groceries - produces breakfast cereals, rusks, cake mixes, baking aids, dried fruit products, nuts, sweet and savoury spreads, processed salads, long-life fruit juices, fruit concentrate mixtures and dairy fruit blends.	
Redsun Dried Fruit and Nuts (Pty) Ltd	2008	Northern Cape		Redsun Dried Fruit engages in the processing and packaging of raisins for the export market. Raisins are delivered by approximately 250 growers and are exported to Europe, North America, South America, and East Asia. The company packages and wholesales trail mix snack packs and pecan nuts.	Mauritius One Thousand & One Voices Management Llc – 89.00%
Safresco South Africa (Pty) Ltd	2010	Eastern Cape	114	Safresco engages in the production, trading, and exporting of citrus fruits. The company has created a citrus company in South Africa under a shared-ownership scheme with employees. Thudana Citrus (Pty) Ltd was set up in line with South Africa's national initiative for the integration and development of rural communities.	Uruguay San Miguel International Investments S.A. – 100.00%
Source Citrus Genesis (Pty) Ltd	2011	Western Cape		Source Citrus Genesis RSA (Pty) Ltd engages in the growing and export of citrus fruit.	United Kingdom Munoz Group (Pty) Ltd – 100.00%
Spring Valley Foods (Pty) Ltd	1994	Gauteng		Spring Valley manufactures and supplies a wide range of convenient food solutions, including chilled prepared vegetables and salads, sandwiches, savoury snacks, soups, fruit juice, pizzas, and quiches, supplying to various local retail stores in South Africa, as well as for exportation, under various labels. Spring Valley processes large quantities of avocado products for the export market. A major client is Woolworths. There are two factories.	United Kingdom Bakkavor Ltd – 100.00%

COMPANY	YEAR	PROVINCE	EMPLOYEES	NATURE OF BUSINESS	THE HOST COUNTRY OF THE COMPANY
Stellenbosch Vineyards (Pty) Ltd	1997	Western Cape	50	Stellenbosch Vineyards (Pty) Ltd grows grapes and produces, bottles and markets wine. Grapes are also purchased from local farmers. Wines are exported worldwide.	France Stellenbosch Vineyards Group (Pty) Ltd – 100.00%
Vergelegen Wines (Pty) Ltd	1954	Western Cape	130	Vergelegen Wines (Pty) Ltd operates in the Cape as a winery that manufactures, bottles, and markets its wines. The company has its vineyard from which it sources its grapes to produce wine. The company exports 50% worldwide, with the majority going to Europe. The remaining 50% is sold locally.	USA Anglo South Africa Capital (Pty) Ltd – 100.00%

Source: WOW.2023; EastFruit, 2023; Fresh Delmonte, 2024; Amfresh, 2024; Libstar, 2023; Sunkist.,2024

6. CONCLUSION

In conclusion, horticulture is a vital subsector within agriculture and food processing, playing a significant role in global trade. The strong demand for edible fruit, nuts, and vegetables has been driven by rising populations, consumer preference for fresh, healthy produce and snacks and counter seasonality trends. This has allowed steady export growth, particularly for South Africa, which has established itself as a key global player. South Africa is the 11th largest exporter of edible fruit and nuts. By top global exported products, South Africa is the 10th largest exporter of other nuts, fresh or dried, the second largest exporter of citrus fruit, fresh or dried and the seventh exporter of grapes, fresh or dried, among others.

However, while exports have expanded, challenges such as non-tariff trade barriers and regulatory restrictions pose significant risks to market access, particularly in key export destinations like the EU. Addressing trade barriers, enhancing competitiveness, and fostering greater market diversification will be essential for sustaining long-term growth and ensuring the sector’s resilience in an evolving global trade environment. Despite these challenges, South Africa’s horticulture sector remains a crucial contributor to economic growth, with rising foreign direct investment and established global trade linkages. The fruit and vegetable sector in South Africa is significantly influenced by foreign companies, with varying levels of shareholding. Many of these companies are based in the UK, France, Spain, Austria, Mauritius, and the Netherlands.

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