



2016

## Country Profile: South Africa

Producer country profile produced by *CIRAD, The Centre De Cooperation International En Recherche Agronomique Pour Le Développement*.

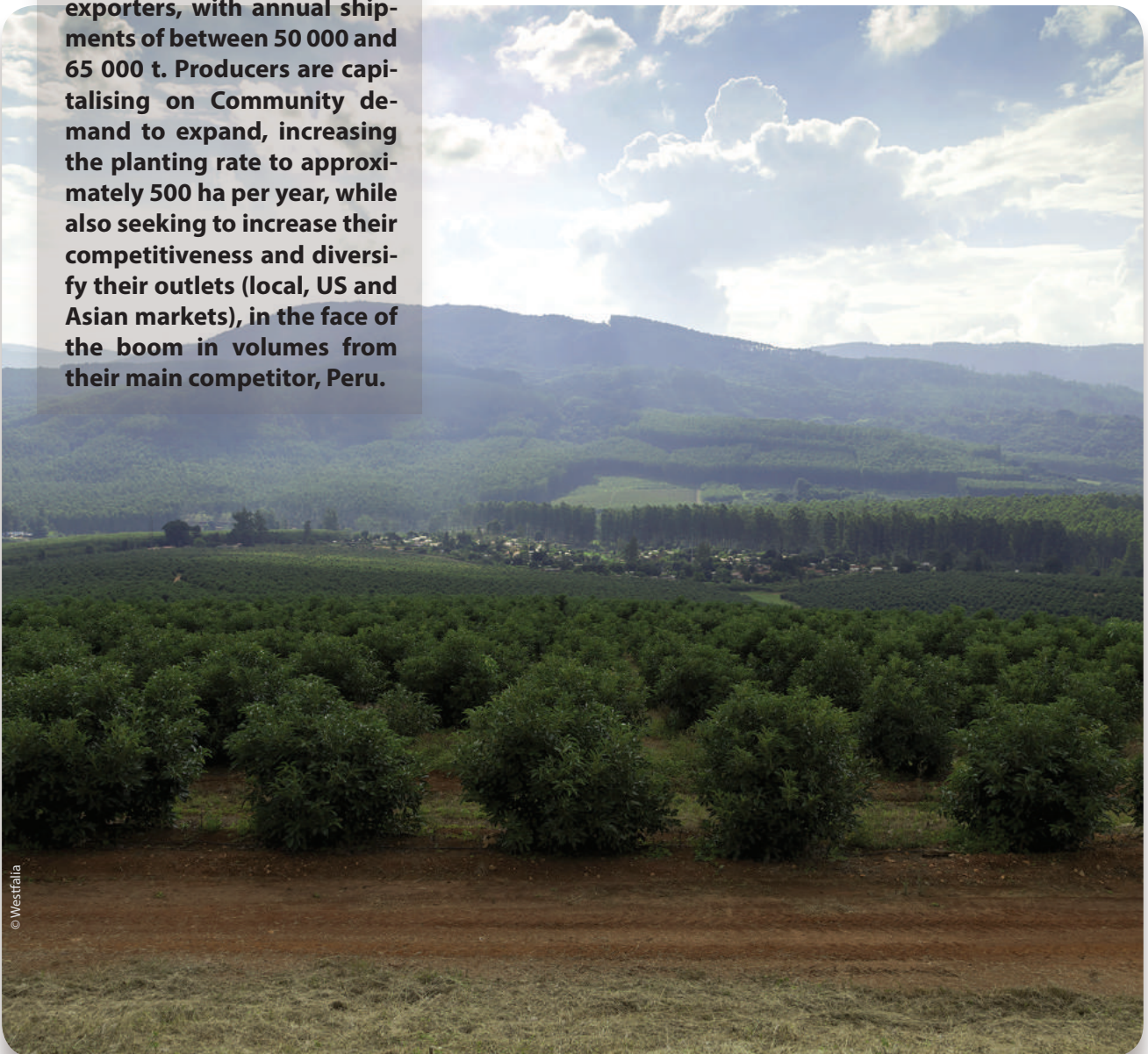


## Producer country file

# South African avocado

by Eric Imbert

South Africa, a historic player on the European counter-season avocado market, is among the world's top five exporters, with annual shipments of between 50 000 and 65 000 t. Producers are capitalising on Community demand to expand, increasing the planting rate to approximately 500 ha per year, while also seeking to increase their competitiveness and diversify their outlets (local, US and Asian markets), in the face of the boom in volumes from their main competitor, Peru.



© Westralia

## Avocado — South Africa

### Location

The majority of the 15 500 ha cultivation area is situated on the plains (Lowveld), on the acidic soils of the north-east of the country, in the three districts along the border with Mozambique or the Indian Ocean. Summers are hot and humid (precipitation more than 1 000 mm), and the winters are mild and dry. Limpopo, a province situated in the far north of the country, packs in approximately 60 % of production near the localities of Tzaneen and Levubu, especially in the valleys of the rivers Letaba and Levubu at the foot of the first foothills of Soutpansberg and Drakensberg. Mpumalanga holds second position, with approximately one third of the surface areas in valleys situated near the towns of Nelspruit

and Hazyview. The rest of the cultivation area is situated further south, mainly in the cooler region of Kwazulu-Natal (Nkwalini and the Natal Midlands zone, north-west of Durban), while some plantations have also been set up in Eastern Cape, north of Port Elizabeth (Addo). The plantations, all irrigated, have an average surface area of 45 ha and a yield of around 9 t/ha. The main sanitary constraints are Phytophthora root rot (well controlled thanks to resistant rootstocks and chemical management methods), anthracnose and cercosporiosis, especially on the green varieties. The weather can sometimes be a limiting factor (hail or drought). The sector provides approximately 6 000 permanent jobs.



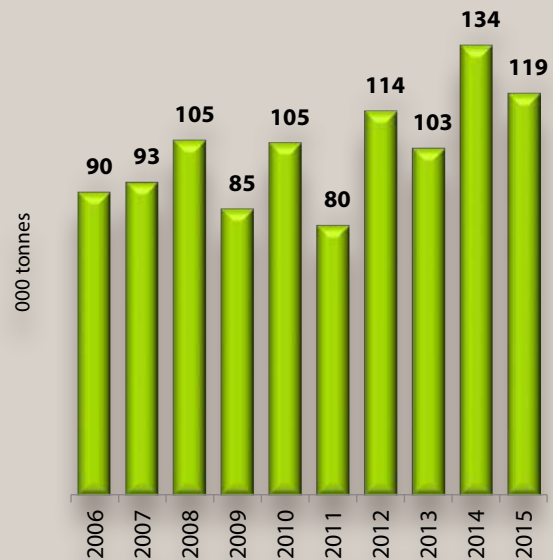


## Avocado — South Africa

### Production

The avocado, introduced by colonists in the late 17th Century, began to be cultivated toward the early 1930s (with the first plantations set up on the Westfalia Estate by Dr Hans Merensky). However, it was not until the 1960s that the industry really boomed, in particular replacing citrus plantations damaged by Huanglongbing. Production made great strides forward until the early 1990s, when several seasons of drought, coupled with increasing costs and a less open international market, led to a near-stagnation in volumes. Growth subsequently resumed, with production stabilising at between 90 000 and 110 000 t barring climate disruption. The expansion of the cultivation area has accelerated in recent years (approximately 500 ha/year), under the influence of growth in European and local demand. Producers are mainly targeting regions where varieties can extend the marketing calendar. SAAGA, an association encompassing approximately 85 % of producers, has since its creation in 1967 provided liaison, representation and technical support services. Its main avenues of work are opening up new markets and increasing competitiveness against the boom in volumes from its rival Peru (improved plant stock, fertilisation and irrigation, higher density).

**Avocado - South Africa - Production**



Source: Saaga



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## Avocado — South Africa

### Outlets

The industry remains mainly focused on the export sector, which absorbs approximately 45 % of production. However, the local market is strengthening, especially thanks to promotion campaigns launched by SAAGA ("add an avo") and to the avocado's breakthrough into the supermarket sector. In addition, the addition of Hass cultivars to the range available on the local market, alongside the traditionally consumed green varieties, is helping expand the marketing window. The South African market retains abundant growth margins, if we consider the current consumption level of around 800 to 900 g/capita/year. The derivatives industry, which is concentrated in the hands of five companies, processes fairly stable volumes of around 10 000 to 13 000 t of oil or pulp, except in years of under- or over-production.

Avocado - South Africa - Outlets



Source: Saaga, 2014-15

Avocado — South Africa — Harvest calendar by variety and production zone														
Varieties	Zones	N	D	J	F	M	A	M	J	J	A	S	O	
Fuerte	Levubu													
	Tzaneen													
	Nelspruit/Hazyview													
	Southern KwaZulu-Natal													
Hass	Levubu													
	Tzaneen													
	Nelspruit/Hazyview													
	Southern KwaZulu-Natal													
Pinkerton														
Ryan														



© Guy Bréhiner

### Varieties

Hass-type varieties are predominant, occupying approximately 50 to 55 % of surface areas and with their share on the increase. They represent approximately two-thirds of new planting. This trend is particularly significant for cultivars within this group able to extend the marketing calendar thanks to their early development (such as Carmen and Maluma, planting rate approximately 300 to 340 ha each) or late development (Gem, planting rate also approximately 300 ha, or Lamb). The great climate variety, due to the plantations extending over several degrees latitude, is helping to extend the season considerably. The green varieties still represent large surface areas (25 to 30 % of the cultivation area for Fuerte, and approximately 10 % each for Ryan and Pinkerton).



## Avocado — South Africa

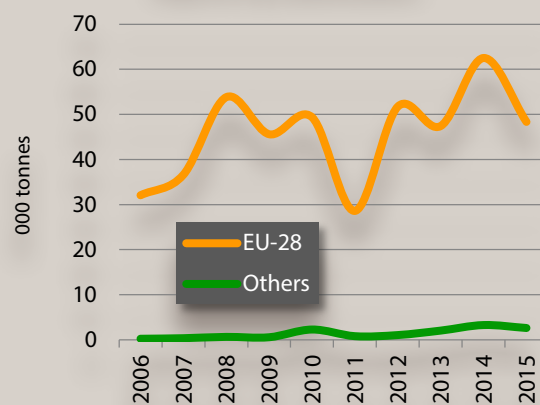
### Exports

The sector was built on the back of feeding the European counter-season avocado market, and further developing it through active marketing. Its fine dynamic is based on strong growth in Community demand for Hass, a destination on which South African exporters are still highly dependent. Exports to this market went from an average of 10 million boxes in the 2000s, to a level of between 11.5 and 14.5 million boxes since the beginning of the decade, with the share of Hass climbing at the same time from 45 % to 65 %. On the strength of its logistics capacity, Holland is a major hub. However, the United Kingdom, where SAAGA continues to conduct a very active marketing campaign, France and Scandinavia are the main markets for South African avocados. Volumes exported outside the EU are progressing, though they remain minor, at approximately 3 000 t in 2014 and 2015, aimed primarily at Russia and neighbouring African countries. The profession is working unrelentingly to open up the US market (negotiations at a very advanced stage) and certain Asian markets (China, Japan, Thailand and Vietnam). Furthermore, SAAGA provides solid technical support to its members (quality control on arrival, etc.), as well as sales coordination and marketing. The export sector comprises fifteen or so companies, but more than 80 % is concentrated in the hands of five major producer-exporters: Westfalia, which controls 45 to 50 % of volumes, and Afrupro, Halls, ZZ2 and Univeg, whose market shares are around 10 to 15 % each.



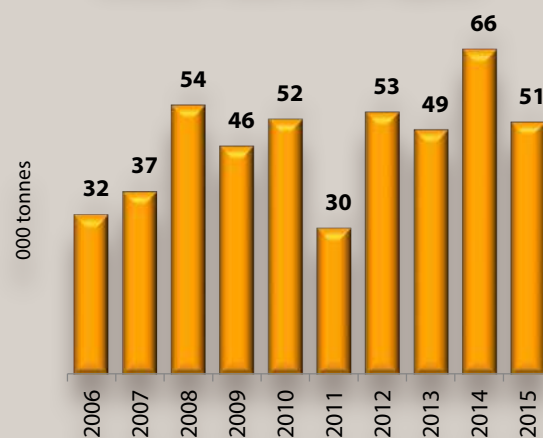
© Westfalia

**Avocado - South Africa  
Exports by destination**



Source: Trademap

**Avocado - South Africa - Exports**



Source: Trademap



© Halls

## Avocado — South Africa

Avocado — South Africa — Exports											
tonnes	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>World</b>	<b>82 979</b>	<b>32 290</b>	<b>36 962</b>	<b>54 472</b>	<b>46 162</b>	<b>51 631</b>	<b>29 614</b>	<b>53 016</b>	<b>49 460</b>	<b>65 772</b>	<b>51 046</b>
EU-28	82 815	32 046	36 601	53 813	45 584	49 351	28 582	51 713	47 404	62 499	48 325
Africa	23	22	59	33	54	1 217	57	150	656	765	908
Middle East	52	98	137	385	296	627	253	308	362	610	444
Asia	82	108	157	226	215	430	488	588	486	548	313
Russia	-	-	-	-	-	-	-	-	534	1 344	950

Source: Trademap



### Logistics

After packing, the fruits are loaded onto refrigerated lorries or directly into controlled or modified atmosphere containers (1-MethylCycloPropene may also be used). They are then shipped by road to the port of Cape Town (a distance of approximately 2 000 km, i.e. a transport time of between 24 and 48 hours). Some volumes (approximately 4 %) are shipped via the port of Durban. An obligatory outgoing quality control is performed by the Perishable Products Export Control Board (PPECB), before loading onto the ships.

Avocado — South Africa — Sea-freight logistics		
Departure port	Arrival port	Voyage time
Cape Town	Rotterdam	15 days
	Algeciras	11 days

