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# South Africa, Republic of

## Oilseeds and Products

### Annual

### 2002

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#### **Report Highlights:**

**South Africa's main oilseed crops are expected to reach 1.127 million tons this year, up from 1.076 million tons in 2001. This is mainly due to a 21% increase, to 805,000 tons, in sunflower production. Oilseed trade is small. Protein meal production is based on sunflower meal with the shortfall made up by soybean meal imports which is expected to reach 500,000 tons this year. Sunflower oil is the most important oil produced with the shortfall made up of sun- and soy oil imports.**

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

Executive Summary .....	1
Total Oilseeds .....	2
Production .....	2
Consumption .....	2
Trade .....	3
Marketing .....	5
Total meals: .....	10
Animal Feed Industry .....	11
Total Oils .....	17

## Executive Summary

Production of South Africa's three main oilseeds, sunflower-seed, soybeans and peanuts are expected to reach about 1,127 million tons this year, up from 1,076 million in 2001. This is mainly due to a 21% increase in sunflower production as the other two decreased. The 805,000 ton sunflower-seed crop exceeds normal domestic demand and some exports can be expected. Trade in oilseeds are usually small, only edible peanut exports being of any consequence. The recent strengthening of the SA Rand to the US dollar was unexpected and complicated trade decisions as imported products are now much cheaper and Rand income from exports less.

The protein meal situation is based on the local production of sunflower meal with the other oilseeds and fishmeal playing a much lesser role. The shortage is made up with imports of soybean meal, mainly supplied by Argentina. The 2001 soybean meal imports reached 476,000 tons and is likely to exceed 500,000 tons this year.

Plant oil production based on the sunflower crop reached about 260,000 tons in 2001 while 2002 production could reach 290,000 tons as a result of the bigger crop. The shortfall is usually met by sunflower oil imports, which amounted to 132,000 tons in 2000 but dropped back to 108,000 tons in 2001. Substitution took place in the form of soybean oil for which imports increased from 19,000 tons in 2000 to 85,000 tons in 2001. The local consumer market is based on denatured blended products which allows for substitution. As a result of the better domestic supply 2002 imports are expected to decline.

US\$1= Rand 10 (05/29/2002)

SAGIS, [www.sagis.org.za](http://www.sagis.org.za)

AFMA, [www.afma.co.za](http://www.afma.co.za)

GRAIN SA, [www.grainsa.co.za](http://www.grainsa.co.za)

SAFEX, [www.safex.co.za](http://www.safex.co.za)

## Total Oilseeds

### Production

The production situation, based on official crop estimates, is summarized in the following table:

Product	Planted 2000	My 2001	Planted 2001	My 2002	Forecast2002	My 2003
	Area	Prod./Del.**	Area	Production	Area	Production
	'000 ha.	'000 mt.	'000 ha.	'000 mt.	'000 ha.	'000 mt.
Sunflower	522	638/664	646	805	585	735
Soybeans	134	210/226	124	202	130	215
Peanuts*	165	184/186	94	120	130	150
Total	821	1032/1076	864	1127	845	1100

\* Shelled

\*\* Production estimate/actual deliveries

The main development in 2001 was the 124,000 hectare increase in the area planted to sunflower-seed. The area planted to sunflower in the Free State increased by 100,000 hectares to 295,000 hectares mainly due to a late start to the rainy season. The late rains curtailed the planting of long season crops such as peanuts, soybeans and dry beans and led to the planting of sunflowers as a substitute. As a result the sunflower crop is expected to reach 805,000 tons this season compared to 664,000 for the 2000 marketing year. Decreases in soybeans and peanuts are expected as a result of the cutback in area planted.

The forecast for the 2002 crops to be planted later this year is that sunflower-seed plantings will stabilize but that soybean and peanut plantings will recover. Farmers may however, overdo corn plantings due to the high current price levels which may lead to a decline in the area planted to oilseeds.

### Consumption

The consumption situation can also be summarized in a table:

'000 mt.	Crush	Food	Feed, seed	Total
MY 2001				
Sunflower	645	0	25	670
Soybeans	29	39	167*	235
Peanuts	14	48	23	85
Total	688	87	215	990
MY 2002				
Sunflower	715	0	22	737
Soybeans	30	40	168*	238
Peanuts	15	50	20	85
Total	760	90	210	1060
MY 2003				
Sunflower	730	0	20	750
Soybeans	30	40	160*	230
Peanuts	15	55	20	90
Total	775	95	200	1070

\*The high feed, seed and waste total for soybeans is due to the extensive use of full fat soya in feed rations, this amounted to about 130,000 tons in 2001 with similar figures expected for 2002 and 2003. The total crush for these three oilseeds is expected to reach 760,000 tons this year after 688,000 tons were crushed in 2001.

## Trade

Trade in all oilseeds is limited with none exceeding 100,000 tons. The bulk of the business is done in soybean meal and sunflower oil. The following table shows recent oilseed trade:

Metric tons	Cy 2000 imports	Cy 2000 exports	Cy 2001 imports	Cy 2001 exports
Sunflower-seed	4363	1450	684	988
Soybeans	93716*	2495	13801	921
Peanuts**	9515	28521	11837	41026

Total	107,594	32,466	26,322	42,935
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\* The US supplied 25,542 tons.

\*\* Shelled

As a result of the big sunflower-seed crop harvested in 2002, some exports are expected this year. This will depend on prices but sunflower meal used in feeds is limited by the protein content while an oil oversupply situation currently exists. Only peanuts currently warrant trade matrix tables.

Export Trade Matrix			
Country	South Africa, Republic of		
Commodity	Oilseed, Peanut		
Time period	Jan -Dec	Units:	Metric ton
Exports for:	2000		2001
U.S.	1854	U.S.	1955
Others		Others	
Netherlands	7710	Netherlands	16836
Japan	9593	Japan	9337
United Kingdom	1812	United Kingdom	4184
Germany	1728	Germany	3224
Finland	613	Finland	1206
Turkey	0	Turkey	954
Mozambique	431	Mozambique	452
New Zealand	342	New Zealand	414
Total for Others	22229		36607
Others not Listed	4438		2464
Grand Total	28521		41026

Import Trade Matrix			
Country	South Africa, Republic of		
Commodity	Oilseed, Peanut		
Time period	Jan -Dec	Units:	Metric tons
Imports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
Zimbabwe	1730	Zimbabwe	5395
Gambia	3493	Gambia	2954
Malawi	312	Malawi	1428
China	1899	China	1422
India	280	India	251
Argentina	1390	Argentina	197
Total for Others	9104		11647
Others not Listed	411		190
Grand Total	9515		11837

## Marketing

Both sunflower-seed and soybeans are now traded on the South African Futures Exchange (SAFEX). The May 2002 price for crushing grade sunflower-seed is R2270/ton or \$227/ton at Rand 10 to US\$ 1 (05/29/02). The soybean price is R2280/ton, or \$228/ton compared to a US Gulf quote of about \$193/ton. Peanut prices vary by grade. Indicative import parity prices for the first two products are:

	US Soybeans, Gulf 2002/05	EU Sunflower-seed, 2002/05
FOB \$/ton	192.00	293.00
Freight rate (20-30,000 ton)	17.00	31.00
CIF, cost, insurance and freight	209.70	324.90
Rand/ton	2097.00	3249.00
Finance cost (15% prime)	26.00	40.00
Discharging costs	95.00	142.00
Import tariff	153.70 (8% of FOB)	275.40 (9.4% of FOB)
FOR Durban	2371.55	3705.70
(SAFEX prices, inland	2270.00	2280.00)

The table indicates a possibility of profitable sunflower-seed exports.

The current import tariffs are:

Tariff number 12.01, Soybeans, General rate of duty 8%, EU and SADC free

12.02, peanuts, free

12.06, sunflower-seed, general 9.4%, EU 7.5%, SADC free

23.04 - 06, oilcake, general 6.6%, EU 3.3%, SADC free

15.07, soy-oil, crude, general 10%, EU & SADC free

15.12, sunflower oil, crude, general 10%, EU & SADC free

15.11, palm oil, crude, general 10%, EU 7.5%, SADC 8%.

PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Sunflower-seed					
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Planted	520	522	645	646	0	585
Area Harvested	520	520	645	645	0	583
Beginning Stocks	54	153	27	147	20	175
Production	635	664	800	805	0	735
MY Imports	3	1	2	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	692	818	829	952	20	910
MY Exports	2	1	100	40	0	0
MY Exp. to the EC	1	0	75	0	0	0
Crush Dom. Consumption	648	645	697	715	0	730
Food Use Dom. Consump.	5	0	5	0	0	0
Feed,Seed,Waste Dm.Cn.	10	25	7	22	0	20
TOTAL Dom. Consumption	663	670	709	737	0	750
Ending Stocks	27	147	20	175	20	160
TOTAL DISTRIBUTION	692	818	829	952	20	910
Calendar Year Imports	0	1	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	1	0	40	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0



PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Planted	134	134	127	124	0	130
Area Harvested	134	134	125	124	0	130
Beginning Stocks	0	57	0	61	0	30
Production	210	226	200	202	0	215
MY Imports	100	14	111	7	0	10
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	310	297	311	270	0	255
MY Exports	3	1	3	2	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	170	29	170	30	0	30
Food Use Dom. Consump.	22	39	23	40	0	40
Feed,Seed,Waste Dm.Cn.	115	167	115	168	0	160
TOTAL Dom. Consumption	307	235	308	238	0	230
Ending Stocks	0	61	0	30	0	25
TOTAL DISTRIBUTION	310	297	311	270	0	255
Calendar Year Imports	0	14	0	7	0	10
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	1	0	2	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Peanut				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Area Planted	165	165	96	94	0	130
Area Harvested	165	160	94	92	0	125
Beginning Stocks	32	34	60	87	30	60
Production	260	186	175	120	0	150
MY Imports	10	3	10	3	0	0
My Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	302	223	245	210	30	210
MY Exports	55	51	48	65	0	60
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	60	14	42	15	0	15
Food Use Dom. Consump.	97	48	95	50	0	55
Feed,Seed,Waste Dm.Cn.	30	23	30	20	0	20
TOTAL Dom. Consumption	187	85	167	85	0	90
Ending Stocks	60	87	30	60	30	60
TOTAL DISTRIBUTION	302	223	245	210	30	210
Calendar Year Imports	0	12	0	3	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	41	0	65	0	65
Calndr Yr Exp. to U.S.	0	2	0	5	0	5

**Total meals:**

The situation is summarized in the following table:

PRODUCTION '000 mt.	2000 (my 2001)	2001 (my 2002)	2002 (my 2003)
Sunflower- meal	271	300	307
Soybean- meal	23	24	24
Fishmeal	128	150	130
TOTAL	422	474	461
IMPORTS			
Sunflower	28	15	13
Soybean	476	516	536
Fishmeal	15	5	15
TOTAL	519	536	564
SUPPLY			
Sunflower	299	315	320
Soybean	499	540	560
Fishmeal	143	155	145
TOTAL	941	1010	1025
CONSUMPTION			
Sunflower	299	315	320
Soybean	491	535	555

Fishmeal	135	136	138
TOTAL	925	986	1013

### Animal Feed Industry

AFMA, the association of balanced feed manufacturers, produce about 60% of annual feed production as shown in the following table:

South Africa, national animal feed production, 2000

Feed type Metric tons	AFMA, feeds, plus feeds derived from concentrate	National production	AFMA as % of national production
Broilers	2 133 077	2 193 000	97.3%
Layers	767 062	854 000	89.8%
Dairy	731 498	1 551 193	47.2%
Beef and sheep	398 334	1 553 000	25.7%
Pigs	251 201	631 231	39.8%
Dogs	106 922	212 000	50.4%
Horses	21 179	121 047	17.5%
Other mixtures	56 350	362 792	15.5%
Ruminants & other	8 935	363 211	2.5%
TOTAL	4 474 558	7 609 777	58.8%

The national production figure includes feeds produced by mixing AFMA produced mixes and concentrates with oilseeds and products and grain and grain milling by products. A better picture of ingredients used emerges when we look at the AFMA ingredients used as the association members account for 60% of feed production. The following table contains the 2000/2001 details of the major ingredients used by AFMA members:

Raw Material	Mt. used	Inclusion rate
Fishmeal	115,990	2.94%
Fulfat soybeans	90,996	2.31%
Hominy chop	102,471	2.60%
Limestone grit	46,213	1.17%
Limestone powder	64,373	1.63%
Corn	1,995,394	46.64%
Molasses	105,668	2.68%
Soybean meal	315,681	8.01%
Sunflower meal	287,633	7.30%
Wheaten bran	250,570	6.36%
Total	3,335,009	86.64%
Feed sales for April 2000 to March 2001		3,939,506

More details of animal feed production and ingredients used are available on the AFMA website at; <http://www.afma.co.za>

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Sunflower- seed				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Crush	648	645	697	715	0	730
Extr. Rate, 999.9999	0.442901	0.420155	0.444763	0.41958	ERR	0.420548
Beginning Stocks	0	0	0	0	0	0
Production	287	271	310	300	0	307
MY Imports	12	28	5	15	0	13
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	299	299	315	315	0	320
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	299	299	315	315	0	320
TOTAL Dom. Consumption	299	299	315	315	0	320
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	299	299	315	315	0	320

Calendar Year Imports	0	28	0	15	0	13
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Soybean				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Crush	170	29	170	30	0	30
Extr. Rate, 999.9999	0.794118	0.793103	0.794118	0.8	ERR	0.8
Beginning Stocks	0	0	0	0	0	0
Production	135	23	135	24	0	24
MY Imports	467	476	495	516	0	536
MY Imp. from U.S.	0	7	0	10	0	15
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	602	499	630	540	0	560
MY Exports	4	8	4	5	0	5
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	598	491	626	535	0	555
TOTAL Dom. Consumption	598	491	626	535	0	555

Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	602	499	630	540	0	560
Calendar Year Imports	0	476	0	516	0	536
Calendar Yr Imp. U.S.	0	7	0	10	0	15
Calendar Year Exports	0	8	0	5	0	5
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix			
Country	South Africa, Republic of		
Commodity	Meal, Soybean		
Time period	Jan-Dec	Units:	Metric tons
Imports for:	2000		2001
U.S.	1809	U.S.	6697
Others		Others	
Argentina	419211	Argentina	461035
Zimbabwe	11865	Zimbabwe	7389
Austria	2666	Austria	520
Netherlands	50	Netherlands	25
Mozambique	75	Mozambique	5
Total for Others	433867		468974



Others not Listed	1698		
Grand Total	437374		475671

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Fish			(1000 MT)(PERCENT)		
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Catch For Reduction	0	0	0	0	0	0
Extr. Rate, 999.9999	ERR	ERR	ERR	ERR	ERR	ERR
Beginning Stocks	0	0	0	0	0	0
Production	84	128	84	150	0	130
MY Imports	18	15	20	5	0	15
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	102	143	104	155	0	145
MY Exports	6	8	6	19	0	7
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	96	135	98	136	0	138

TOTAL Dom. Consumption	96	135	98	136	0	138
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	102	143	104	155	0	145
Calendar Year Imports	0	15	0	5	0	15
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	8	0	19	0	7
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Total Oils

The situation can be summarized in a table:

Product	1999	2000	2001	2002
'000 metric tons	My 2000	My 2001	My 2002	My 2003
Production				
Sunflower oil	258	261	290	296
Soy oil	9	5	5	5
Total	267	266	295	301
Imports				
Sunflower oil	132	108	85	84
Soy oil	19	85	57	50

Total	151	193	142	134
Consumption				
Sunflower oil	351	351	355	360
Soy oil	28	49	60	62
Total	376	400	415	422

The increased sunflower oil production expected this year is as a result of the much bigger crop. This should cut import needs substantially although sun oil imports have been decreasing. It seems that sun oil imports are being replaced by cheaper soy oil imports from Argentina which jumped from 16,426 tons in Cy 2000 to 80,072 tons in Cy 2001. This led to a perceived oil oversupply which was accommodated by a soy oil carry over.

PSD Table						
Country	South Africa, Republic of					
Commodity	Oil, Sunflowerseed				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Crush	648	645	697	715	0	730
Extr. Rate, 999.9999	0.401235	0.404651	0.401722	0.405594	ERR	0.405479
Beginning Stocks	0	0	0	0	0	0
Production	260	261	280	290	0	296
MY Imports	51	108	14	85	0	84

MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	311	369	294	375	0	380
MY Exports	9	18	25	20	0	20
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	302	351	269	355	0	360
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	302	351	269	355	0	360
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	311	369	294	375	0	380
Calendar Year Imports	20	108	30	85	0	84
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	9	18	9	20	0	20
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix			
Country	South Africa, Republic of		
Commodity	Oil, Sunflowerseed		
Time period	Jan-Dec	Units:	Metric tons
Imports for:	2000		2001
U.S.	1000	U.S.	498
Others		Others	
Argentina	126146	Argentina	105132
India	4861	India	2092

Total for Others	131007		107224
Others not Listed	0		16
Grand Total	132007		107738

PSD Table						
Country	South Africa, Republic of					
Commodity	Oil, Soybean				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Crush	170	29	170	30	0	30
Extr. Rate, 999.9999	0.176471	0.172414	0.176471	0.166667	ERR	0.166667
Beginning Stocks	0	0	0	30	0	20

Production	30	5	30	5	0	5
MY Imports	119	85	150	57	0	50
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	149	90	180	92	0	75
MY Exports	0	11	0	12	0	13
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	149	49	180	60	0	62
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	149	49	180	60	0	62
Ending Stocks	0	30	0	20	0	0
TOTAL DISTRIBUTION	149	90	180	92	0	75
Calendar Year Imports	0	85	0	57	0	50
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	11	0	12	0	13
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix			
Country	South Africa, Republic of		
Commodity	Oil, Soybean		
Time period	Jan- Dec	Units:	mt.
Imports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
Argentina	16426	Argentina	80072

Brazil	1308	Brazil	4798
Total for Others	17734		84870
Others not Listed	1269		347
Grand Total	19003		85217

Export Trade Matrix			
Country	South Africa, Republic of		
Commodity	Oil, Soybean		
Time period	Jan-Dec	Units:	Mt.
Exports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	

Malawi	1527	Malawi	5355
Zambia	2751	Zambia	2404
Zimbabwe	737	Zimbabwe	1233
Mauritius	383	Mauritius	568
Mozambique	69	Mozambique	355
Total for Others	5467		9915
Others not Listed	450		635
Grand Total	5917		10550