EXPORT PROMOTION OF ORGANIC PRODUCTS FROM AFRICA

South African Organic Market Study

May 2006

EPOPA (Export Promotion of Organic Products from Africa) is a development programme initiated by the Swedish International Development Cooperation Agency, SIDA, in 1997.

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Conventions used in the report

All abbreviations are explained once in the text, and again at the end of the report in the section 'Abbreviations and Contact Details'.

Contact details of organic-specific and other significant organisations are listed in the section 'Abbreviations and Contact Details'. Otherwise, contact details, including web-site addresses, are quoted in the body of the report.

Monetary values are quoted in South African currency, being the Rand, unless otherwise specifically indicated.

Table 1.
Average exchange rates for the Rand:Euro and Rand:US$ (SARS 2006)

PERIOD	EURO	US DOLLAR
January – December 2004	8.2962:1	6.8703:1
January – December 2005	7.9077:1	6.2710:1
January – March 2006	7.8340:1	6.3847:1

Please see http://www.reservebank.co.za for the current exchange rates.

1. Background to the development of the South African organic agricultural sector

In a market survey and forecast conducted by the African Organic Farming Foundation in 2005, Buffee estimated the value of the South African organic market to be R100 million across all categories of produce. If this is indeed the case, it bears testimony to the rapid growth of this agricultural sector over the last 15 years, when ‘organic’ was a fringe term, seen by the ‘main stream’ sceptics to be the domain of ‘green bunny-huggers’, with market outlets being ‘few and far between’.

The Organic Agricultural Association of South Africa was established in the early 1990’s, which together with the Bio-Dynamic Agricultural Association and the South African and Zimbabwean Permaculture movements, were the early voices for environmentally friendly agriculture based on organic and associated principles.

Indeed, organic agriculture has fought for its rightful place in all aspects of South African society, and is achieving success by gaining recognition from academic institutions, agro-chemical companies, hardened ‘conventional’ producers many of whom are turning to biological agricultural production methods as a mid-way between agro-chemical and organic agriculture, and consumers. Even Cotton SA, for many years the bastion for the establishment of Genetically Modified crops in South Africa through their avid support of the planting of GMO-cotton, has recently conducted trials in organic cotton production.

The growth in organic agriculture has been paralleled and promoted by the public’s increasing awareness of health and lifestyle issues – for example homeopathy and ‘alternative’ medicines, including nutritional supplements, are main stream and no longer considered ‘unusual’. Medical patients have for many years been the main consumers of organically grown produce, in which the development of personal relationships between producer and consumer has been facilitated by farmer’s markets, one of the oldest being the Bryanston Organic Market, which has been operating for more than 25 years.

Some international certifiers, particularly Ecocert International and the UK Soil Association, established themselves in South Africa in the early 1990’s, when some for-thinking producers turned to organics, a move made viable through export market opportunities offered by companies such as EOSTA and Organic Farm Foods. However the industry as a whole was given a great boost in 2001 by the publication of the National Department of Agricultures Draft Organic Standards, which was based on the EU 2092/91 Regulations, the IFOAM standards, and Codex Alimentarius. Two local certification agencies, one of which has joined Ecocert International and now operates as Ecocert-Afrisco, commenced with their first inspections and certifications in 2001. These developments were strongly supported by the retail chains, initially by Pick´n

Pay and Shoprite-Checkers, to be later joined by Woolworths. Unfortunately the reluctance on behalf of the Minister of Agriculture to promulgate these standards, thereby affording legal protection to all in the industry, has been a major stumbling block that still has to be overcome.

The growth in the availability of quality guaranteed input products have provided a major resource for organic farmers, especially those working through the difficult years of conversion. Once again, unlike their foreign colleagues, South African organic farmers are not beneficiaries of any organic-subsidies. Certification is seen by many as an additional financial burden, which is not always economically justified for individual producers.

South Africa’s long and well established place as an exporter of high quality agricultural produce is reflected in the organic sector, where exporting remains the main marketing channel. Rooibos tea, citrus, sub-tropical fruit, and speciality vegetables and berries are the main export products.

The general aim of this survey was to promote international trade in African certified organic produce, with South Africa being seen as a potential role player. This is a unique development for South African organic producers, the success of which should be measured in terms of increasing international interest in and support of the South African organic industry.

The survey was aimed at the complete spectrum of the organic sector – input manufacturers, producers of crops and livestock products, processors, wholesalers, retailers, importers and exporters. The report covers these sectors, naming the main companies identified through the survey for each sector. It discusses certification; marketing strategies including imports and exports, volumes, qualities and trends; packaging; prices; lists relevant South African legislation, trade agreements, and formal agricultural structures.

2. Survey objectives and methodology

The objectives of the survey, which was commissioned by EPOPA, are quoted from the Terms of Reference:

- To get a general understanding of the supply and demand side of the organic market in South Africa.
- To get an understanding of the exports and possibilities for re-exports of products from other African countries, in particular from Zambia.
- To identify potential buyers of products from the EPOPA (Export Promotion of Organic Products from Africa) projects, especially from Zambia.
- To identify other characteristics of the South African market for organic products, e.g. consumer profile, certification and standards requirements.

Methodology

The survey was undertaken using the following methodologies:

Questionnaire

A survey questionnaire was compiled as an Excel spreadsheet, with specific worksheets for each enterprise category. The support of Mr. Keith Finnemore (Director, OSA) during this process is acknowledged.

Database of producers and marketing organisations

The questionnaire was e-mailed to recipients in a database that was compiled from 14 different sources. The sources are listed in Annex 1.

Confidentiality

It must be noted that the recipients were specifically asked to grant permission for the publication of their contact details in order to facilitate trade. Some respondents gave this permission while others did not – requests that have been honoured in this report.

The names of these respondents and exhibitors at the Natural and Organic Products Exhibition (NOPE) held in Cape Town in October 2005 may be found in Annex 2.

Survey results

The response rate of 14 percent to the e-mailed survey was disappointingly low. Many of these respondents declined to provide financial data.

Ecocert-Afrisco was the only certification agency operating in South Africa that chose to co-operate and participate in this survey by making their records available for the extraction of relevant data.

Requests for participation were made to all of the other local and international certification agencies known to be operating in South Africa. All of them ignored the request.

The results of the survey are tabulated below.

Table 2. Crop production survey for the 2004 season

Product	Number of Respondents	Standard: EU = 2092/91 SGS = SGS private NDA = South African National Department of Agriculture	Area (Ha)	Certified Sales		Non-certified Sales	
				Tons	Gross value (Rands)	Tons	Gross value (Rands)
Vegetables	10	EU, SGS, NDA	240	1 050	521 996	360	300 000
Herbs	5	EU, NDA	105	358			
Grains	2	EU	153	429	148 000		
Deciduous fruit	4	EU, SGS	70	1 119	1 572 500		
Citrus fruit	12	EU	453	9 530	3 411 200	2 530	1 200 000
Berries	4	EU, NDA	16	127	500 000		
Subtropical fruit	3	EU, NOP	436	3 325	5 000 000	359	3 200 000
Stone fruit	1	NDA	10	10	300 000		
Wild harvested crops	5	EU, NOP	673 689	1 171	304 000		
Seed production	1	NDA	1	no-data	no-data		
Other crops	8	EU, NOP, JAS	9 578	3 122			

NOTE: Not all of the respondents submitted financial data. Therefore there is no correlation between the mass of produce sold and the reflected financial value.

Table 3. Livestock production for the 2004 season

Product	Number of producers	Standard	Herd / Flock size	Certified Sales tons	Total farm size in hectares	Hectares natural grazing
Beef	1	EU	500	120	6 023	
Eggs	1	EU	4 992	144 236		21 174
Bees	1	EU		1,4		

Table 4. Processing, handling, import and export survey for the 2004 season

NOTES: For imports and exports: 'R' = raw materials, 'S' = semi-processed, 'E' = end product

Table 4, part 1 of 2	Number of Respondents	Imports			Processing			Handling			Exports				
		R	S	E	Total volume	Units	Gross value (Rands)	Total volume	Units	Gross value (Rands)	S	E	Total volume	Units	Gross value (Rands)
Input manufacturer															
- soil fertility / conditioning	10	Yes	Yes	Yes	92 207	tons	9 100 000					Yes	20	tons	1 200 000
- plant insect pest control	8			Yes	14	tons	4 500 000	200	litres	150 000		Yes			
- plant disease control	7	Yes	Yes	Yes	11	tons	500 000	70	litres	55 000		Yes			
- microbial cultures	6	Yes	Yes	Yes	1	tons	300 000	3	litres	3 000		Yes			
Fresh produce															
- own produce only	5				945	tons	300 000	217				Yes	485	tons	
- not a primary producer	2											Yes	595	tons	
Processed products															
- vegetables	1				50	tons	150 000								
- fruit	3				1 550	tons	150 000					Yes	800	tons	
- herbs and spices					15	tons						Yes	15	tons	
- cereals															
- flour	1							0,65	tons	3 700					
- whole grains	2				12	tons	42 000	0,25	tons	1 500					
- wild harvested	1										Yes		7	tons	200 000

Table 4, part 2 of 2	Number of Respondents	Imports			Processing			Handling			Exports				
		R	S	E	Total volume	Units	Gross value (Rands)	Total volume	Units	Gross value (Rands)	S	E	Total volume	Units	Gross value (Rands)
- nuts															
- flour	1				24	tons	100 000								
- whole nuts	1				33	tons						Yes	16	tons	
- dairy															
- cheese	1				10	tons									
- meat															
- beef	2				753	tons		753	tons						
- mutton / lamb	1				170	tons		170	tons						
- beverages															
- coffee	1							0,5	tons	30 000					
- fruit juice	1							30000	litres	240 000					
- tea	2				40	tons	2 200 000				Yes		30	tons	US$100,000
- sugar products	1							0,15	tons	6 500					
- oils															
- edible															
- olive	2				1 200	litres	130 000	0,045	litres	3 200					
- sunflower	2				18	tons	81	0,12	litres	3 600					
- condements	1			Yes						no data					
- cider vinegar	1							0,12	litres	3 120					
- personal care	1			Yes						no data					

NOTE: Not all of the respondents submitted financial data. Therefore there is no correlation between the mass of produce sold and the reflected financial value.

3. Product uses, market outlets, and consumer profiles

Products

Plant products:

- Vegetables: Organic salad and cooked vegetables are perhaps the most common form of organic production. The vegetables include different varieties of lettuce, cabbage, broccoli, cauliflower, butternut, squash, marrows, peas, beans, radish; in fact all of the “Western” salad vegetables as well as some “Eastern” vegetables. High value vegetables, such as asparagus, are typically exported to Europe.

- Herbs: A wide range of culinary, medicinal and aromatic (oil) herbs are grown. Again the list is extensive – one certified medicinal herb farm alone cultivates over 100 different herbs and medicinal plants. Cultivated indigenous plants are included in this category.

- Grains and oil seeds: Organic grains and oil seeds are less commonly grown. However, those grown include maize (certified non-GMO), soy beans (certified non-GMO), wheat, sunflowers, rye, triticale and oats. These may be consumed either by humans or livestock (for certified milk and egg production).

- Deciduous fruit: Mainly apples, most of which are exported to Europe.

- Citrus fruit: Oranges, lemons, clementines, most of which are exported to Europe. This is a significant export market.

- Berries: These include strawberries (for the domestic market), and blueberries (exported to Europe and for the domestic market), and raspberries.

- Grapes: Both red and white wines are made from certified grapes, and sold into both the domestic and export market. Some of these wines are made from Bio-Dynamically produced grapes and exported to Europe without reference to the cultivation method. Certified table grapes are produced and sold locally.

- Vine fruit: Passion fruit is available in the domestic market.

- Sub-tropical fruit: The export of certified avocados is another significant segment of the organic industry. Other sub-tropical fruit produced are guavas (for pulping and export mainly to the USA) and very recently (late 2005) certified bananas have appeared on the domestic market.

- Stone fruit: A group of farmers in one particular locality have achieved certification of their olives. Their products were first marketed in 2004.

- Wild harvested crops: The Rooibos industry forms a major segment of the certified organic producers in South Africa. However not all of the Rooibos is wild harvested, there being a significant amount that is cultivated. Honeybush, Buchu and rosehips are the three other major wild harvested crops. Some wild harvested medicinal herbs are also being certified, while others, such as Devils Claw, are no longer being certified.

- Cultivated pastures: The certified dairy industry is very small, and based on certified pastures. The certified poultry (for egg production) roam on cultivated pasture.

- Fodder: Certified fodder crops are usually grown by dairy and poultry farmers in order to achieve certification of those products.

Livestock products:

- Meat – beef: There were a number of certified farmers in 2002 through to 2004 but due to various difficulties, certified organic beef production is no longer a feature of the South African organic industry.

- Meat – poultry: As far as can be ascertained, there are no certified poultry meat producers in South Africa.

- Meat – sheep: The beef scenario has been mirrored in the sheep industry.

- Meat – goats: As far as can be ascertained, there are no certified goat meat producers in South Africa.

- Meat – pigs: As far as can be ascertained, there are no certified pork producers in South Africa.

- Dairy products: The certified dairy producers supplying milk to Woolworths are still in conversion. The number of these farmers has not been ascertained. Certified cheese, cream, and yoghurt are also available.

- Poultry – eggs: Only one certified egg producer is known to the surveyor.

Processed products:

- Herbs: Certified herbs are sold with or without reference to certification. Reference to certification of culinary herbs usually depends on the processor. At least one major processor purchases and retails certified herbs for the sake of quality and not for their organic status. Medicinal herbs are usually not processed into certified products either because of the limited volumes or the fact that the final products may not be certified based on the percentage of certified ingredients. A wide range of aromatic oils are grown for the extraction of certified oils.

- Deciduous fruit: Certified organic apple juice is available in the domestic market.

- Sub-tropical fruit: There is one certified guava puree producer known to the surveyor.

- Stone fruit: Olives are pickled, processed for their oil, made into products such as tapenade and jam, or salted and dried.

- Grapes: Both red and white wines are made from certified grapes.

- Wild harvested crops: Rooibos and Honeybush are fermented, dried, and packed as teas. These may be blended with each other, or herbs, such as lemongrass and comfrey. A limited amount of Buchu is also processed.

- Other crops: Cultivated indigenous crops such as Rooibos, Buchu, Pelargonium, and others.

Agricultural inputs:

- The range of certified organic or non-organically produced products accepted as inputs into certified organic agriculture has grown remarkably over the recent years. These include:

- “Composted” manures (the use of the term compost is a misnomer, as these manures are not necessarily composted with components such as green plant materials and clay, and usually consist of manure from non-factory farmed poultry and the litter, typically wood shavings). Some of these manures are pelletised.

- Bone-meal based fertilizers.

- Microbial products, as compost starters, soil conditioners and plant protection products.

- Plant oil based plant-protection products.

- Inputs, traditionally used in non-certified agriculture, such as mined minerals (mainly lime, gypsum and hard rock phosphate), sulphur and copper products have been available for many years.

Market outlets

The supermarket chains, with their extensive networks, have done much to promote the distribution and consumption of certified organic produce in South Africa. The three main centres of consumption of certified organic produce are the Western Cape (Cape Town / Stellenbosch and surrounds), Johannesburg / Pretoria (Tshwane) and Durban. These retail outlets face opposition from farmers’ markets, box schemes, and health shops, from whom a mixture of “organically grown but not certified” and certified produce is available.

Consumer profile

The perception is that organic produce is priced at a level that only the middle to upper income consumers can afford the luxury thereof. In contradiction to this, it is the experience of at least one retail store where higher-priced, non-organic produce, side by side with the certified equivalent, sold faster than the certified produce (Grieshaber, 2005). This supports the contention that the consumption of certified produce may be a function of consumer education and awareness, and that these consumers, seeking quality produce, shop at more "upmarket" outlets, thereby generating the demand for certified produce. The majority of these consumers may be of the "younger" generations, but not exclusively so. None of the supermarket chains who were requested to participate were prepared to qualify their consumer profiles.

Furthering the education / awareness experience, consumers with medical conditions, such as cancer, actively seek organic produce, irrespective of certification status. These consumers usually purchase produce directly from producers at farmers' market, where trust and consistent supply are more significant than the need for certification.

It is also apparent that parents of young children are becoming increasingly aware of the health risks associated with non-organic and processed / refined foods, and consequently seek organically grown food, irrespective of the certification status thereof.

4. Main domestic producers and the products

The main South African domestic organic producers have not necessarily identified themselves by means of the survey. However, the following respondents may be considered as major producers in their categories (whose contact details may be found in Annex 2):

Crop production:

- Kirklington Organic Farm: Herbs, grains, deciduous fruit.
- Lorraine Trust: Deciduous fruit.
- Emerald Acres: Citrus fruit.
- Modderfontein Farm: Citrus fruit, indigenous crops (specifically rooibos Tea).
- Datan Boerdery: Berries (specifically strawberries).
- A.M. Muller and Sons: Subtropical fruit (specifically avocado pears).
- Blue Sky Organics: Stone fruit (specifically olive products).

Input manufacturers, with nation wide product distribution:

- Agro Organics.
- Biological Control Products.
- Bioearth.
- Microbial Solutions.

Further, the supermarkets consider supplier details to be market sensitive information and therefore identify suppliers by means of a supplier code on branded packaging. Consumers are thus not able to identify individual producers by name.

Undoubtedly vegetables and culinary herbs, consumed both as salads and cooked food, form the core of the organic produce sold in South Africa. Unfortunately for local consumers, certified organic fruit is typically exported before being made available to the local market. This is definitely as a result of the demand from Europe and the higher prices paid. This trend is changing with a limited supply of high-priced certified fruit being available on some supermarket shelves.

5. Main processing companies

Organic processing

The main producers identified through the survey are listed below. However, this only provides a partial view of reality, as farm based pack houses certified for handling produce are a common feature, and are responsible for the packing and labelling of all of the organic produce that is sold by the supermarket chains.

Processors:

– Allganix: Cider vinegar, coffee, flour, fruit juices, olive oil, sugar, sunflower oil, vegetables, whole grains.
– Blue Sky Organics: Olives (specifically oil, pickled olives and other olive products).
– Cape Natural Tea Products: Rooibos tea.
– Kirklington Organic Farm: Grains, sunflower oil.
– Vital Health Foods: Rooibos tea.

Many organic farmers are engaged in farm-based value-added processing, examples being bottled milk, yoghurt, cheese, dried culinary herbs, milled grains, olive processing, edible oil extraction, aromatic oil extraction, and pulping of guavas. At least one remote farm family, responsible for the wild harvesting of honeybush, cut, ferment and bulk bag their own produce.

The range of sophistication of these processing facilities is from one or two table operations, to large scale operations, employing many workers, and having achieved Food Safety certification or equivalent (e.g. BRC, HACCP, ISO, and private food safety standards based on Good Management Practices).

Professional food processing companies are opening up to the organic market. Examples range from the manufacturing of peanut butter to the spray-drying of Rooibos-tea extract and processing of soy-beans. The Rooibos tea industry is most likely the largest of the professional processing industries handling certified organic produce, being responsible for fermenting, drying, and packaging (bulk and retail) for both the domestic and export markets.

The potential of the non-organic food processing industry

According to Macaskill et. al. (2004) there was 2 228 food processing companies in South Africa, of which 28 food and 10 beverage processors were compliant with ISO 9001 and 9002. Many processors and packers (including those who have organic certification) are certified according to ISO standards (typically ISO 9000 and 9001), and follow or are accredited according to Food Safety systems, typically HACCP or BRC, or to private standards, such as those implemented by supermarket retail chains.

The South African food processing industry can be sub-divided into the following categories:

- Meat processing;
- Dairy products;
- Food preservation;
- Grain milling;
- Sugar milling and refining;
- Cocoa, chocolate and sugar confectionery;
- Prepared animal feeds;
- Bakeries;
- Smaller sectors such as starch products, baby food, chips (crisps), baking powder, yeast, condiments, mustard, vinegar, edible salt refining, tea and coffee processing and packing.

Other agro-processing categories include Essential Oils and Leather and Hide processing.

Non-organic umbrella organisations are:

- SA Fruit and Vegetable Canners Association. Tel: ++27 (0)21 871 1308.
  E-mail: safvpa@mweb.co.za
- SA Canning Fruit Producers Association (CFPA). Tel: ++27(0)21 872 1501.
  E-mail: inmaak@mweb.co.za
- Dried Fruit Technical Services. Tel: ++27 (0)21 872 1502.
  E-mail: dappies@dtd.co.za
- South African Essential Oil Producers Association. Tel: ++27 (013) 753 3064. For an overview of the Essential Oil Industry see the document "Study into the Establishment of an Aroma and Fragrance Fine Chemicals Value Chain In South Africa" at: www.nedlac.org.za

The Department of Trade and Industries website www.dti.gov.za may be a supplementary source of information.

6. Main import sources

The known countries of origin of imported organic products in South Africa are Zambia, the European Union (EU) countries (especially the United Kingdom and Germany), United States of America (USA), Australia, and New Zealand. These cover the full range from production inputs to food.

Typically labelling of imported products identifies the country of origin, and the producer, or they may have generic supermarket wording. The importers of these products are typically third parties, acting on behalf of the supermarkets. Three importers who were identified to the surveyor failed to participate in the survey, contrary to verbal commitments that they would do so.

A well-established private importer of certified produce, who re-packs the produce, distributes and sells nationally either directly to the public or through health shops, declined to participate in the survey, citing the commercial sensitivity of this information as his reasons.

7. Organic standards and certification

South Africa does not yet have national legislation either requiring certification of or affording protection to organic producers and their products. Therefore the acceptability of imported certified products depends on their destination within the South African market:

- Local retail: Due to the lack of legislated control over organic sales, any certification may be accepted, depending on the knowledge and policy of the retailer. Woolworths, a retail chain, has issued a policy statement requiring internationally recognised certification by ISO accredited certifying agencies.

- Inputs into certified production: This depends on two factors, viz:
  - The user's certification agency: The lack of organic legislation in South Africa has generally led to different scenarios regarding certification agencies accepting each other's certification:
    - Some agencies accept the certification of others without any investigation into equivalency of standards or regulations, and inspection and certification protocols.
    - On the other hand equivalency of standards or regulations and inspection and certification procedures are considered to be of paramount importance, and are investigated before the certification is either accepted or rejected.
  - This usually occurs on a product by product basis, and does not extend to blanket acceptance / rejection of any one agency's certification by another.
  - The final market: If the produce is to be exported from South Africa, then the certification of the input must be recognised by the final destination country, according to that country's Laws or Regulations.

Two local certification agencies certify according to draft standards published by the National Department of Agriculture in 2001. Of these, only one agency, Afrisco, is in the process of becoming ISO 65 accredited. Its close relationship with Ecocert (the company is known as Ecocert-Afrisco) has historically provided this umbrella. Currently, Afrisco's certification is for the domestic market only, but once ISO accreditation has been achieved, Afrisco will also be able to provide EU certification.

Exported products are certified according to the requirements of the destination market. Typically available certification includes EU 2092/91, the USA's NOP, Japan's JAS, Switzerland's Bio Suisse, Naturland and Demeter International. These certifications are also recognised by the local market.

It is significant to note that South Africa has a GeneScan Analytics affiliated GMO (Genetically Modified Organism) testing facility at the University of the Free State. Contact Dr. C. Viljoen at viljoedd.sci@mail.uovs.ac.za. For more information visit www.uovs.ac.za and conduct a keyword search, and also visit www.genescan.de.

There is a feeling amongst some long-term members of the South African organic movement that organic certification is unacceptable because of additional administrative load and costs, restrictions (such as seeking permission to use allowed inputs) and certification fees of consumer-safe produce. Their attitude is that toxic agro-chemical farmers should be certified to guarantee the consumer that their produce is indeed safe to eat.

8. Exports, main export markets and sales to South African exporters or to foreign importers

International trade in general agricultural products

International agricultural markets, access barriers and tariffs are best reviewed on-line at www.nda.agric.za, where clicking the "Databases" option will reveal the International Trade Centre marketing information containing trade information for 68 countries.

International trade in certified organic produce

Destination Markets:

The EU is the major export destination market for organic produce (mainly fresh fruit, Rooibos and honeybush tea, and processed medicinal herbs into the European market, and vegetables and fruit into the United Kingdom (UK)), followed by the USA (processed products), and to a lesser extent Japan (Rooibos tea) and Switzerland (Bio Suisse pecan nuts). Ad hoc exports are also made to Australia and New Zealand.

Organic produce is also being exported to un-regulated (with respect to organics) markets such as Dubai (Personal Communication, 2005).

Exporters:

Producers make use of well-established export agencies, such as Katopé and Eurafruit, for the handling of exports. In such instances the exporter may either:

- take ownership of the produce and market it under their trade name, and therefore require certification, or
- they may act as non-certified agents, in which case the produce is marketed under the producer's name or that of a foreign retail chain.

These products are sold either in bulk for re-packaging in the destination country or in final retail packaging, all depending on individual customer requirements.

Some producers are in the fortunate position of having established relationships with foreign trading partners. Produce exported in this manner include citrus (by one of the largest certified co-operative groups in South Africa) and medicinal herbs and herbal extracts.

Foreign Importers:

Certified organic South African farmers have historically been in the fortunate position of having access to the marketing activities of the Dutch Company, Eosta, and their Welsh business partner, Organic Farm Foods. Both companies have been an integral part of the organic export industry since the early 1990's.

Other foreign importers include European based supermarket retail chains and their subsidiaries, the foreign offices of South African represented export agencies, as well as manufacturers of medicinal herbal products.

A relatively recent development has seen EU-based marketing companies, or their business partners, either:

- purchasing farms in South Africa, converting them to certified organic status, and managing them as certified entities, or
- entering into production agreements with certified organic South African farmers,

with the intention of supplying the direct marketing needs of the European company.

Import and export requirements

The Laws governing the import and export of agricultural produce are the Agricultural Pests Act (1983) and the Agricultural Products Standards Act (1990), as amended. For details of the Acts and the amendments, see www.info.gov.za

The Directorate Plant Health and Quality is the official National Plant Protection Organisation (NPPO) of South Africa in terms of South Africa's membership of the International Plant Protection Convention (conduct a document search at docsonline.wto.org). See the web site: www.nda.agric.za/docs/npposa/default.htm for details concerning South African phytosanitary requirements, and import and export permits.

Customs and Excise Duties are payable on imported and exported goods. This is controlled by SARS. Imports and exports can take place freely with the proviso that respective tariffs and permits are timeously obtained.

9. Volumes, qualities and trends

Volumes

It has already been stated that the survey has not successfully determined the volume of organic produce originating in South Africa, nor the domestic and international trade thereof.

Qualities

There was a period during which inferior quality was accepted by consumers as being the *status quo* for all organic produce. This fallacy has fallen way due to the production and sale of high quality certified organic produce, made possible by the increased availability of organically acceptable production inputs (such as plant protection products), experienced consultancy services, producer experience, and the implementation of and compliance to food safety standards, such as HACCP, BRC, and private retail supermarket standards. Consumers now have the delightful experience of eating flavourful nutritionally wholesome, non-toxic, organic food characterised by longer shelf lives than that of comparative non-organic produce.

Organic fresh produce may undergo preservation processing, accepted by certification agencies, such as modified atmosphere pillow-packing, and pasteurization of dairy produce (which is required by law in South Africa for those dairy products destined for human consumption).

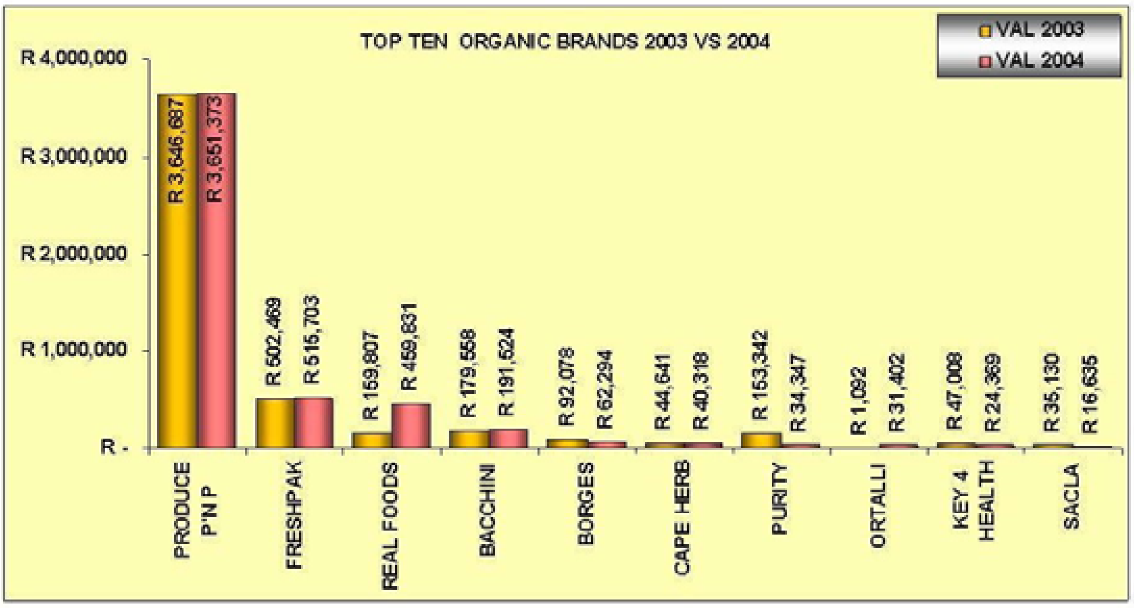
Trends

Retail supermarkets have or are in the process of re-assessing their approach to marketing certified organic produce as a result of their early successes and failures. One supermarket representative commented that their early involvement was typified by an abundance of produce that was diametrically opposite to consumer demands, arising mainly from young mothers seeking organic baby food. In all instances supermarket chains have either not quantified consumer trends, or see this as market sensitive information.

A trend that is evident within the South African consumer market as a whole is that food quality and safety are not yet concerns for most consumers as they are in more developed (and thus 'polluted') countries. It may be said that these concerns are the domain of the more affluent and informed consumers, who are able to purchase high priced food for the perceived (and often real) higher value. Poverty and un-employment are major concerns within the society where for many the task of placing food on the table on a daily basis is arduous if not impossible. This is exacerbated by the high HIV / AIDS incidence within society, with many families consisting of orphans parented by the eldest teenage sibling.

Pick´n Pay, one of the major national retail supermarket chains and supporter of the development of the retail organic market in South Africa, conducted an analysis of the performance and trends of fresh organic produce during 2005. As can be seen from the graph, the retailer's house brand (used mainly for fresh produce) completely dominated the sales (Grieshaber, 2005).

Graph 1. Top ten organic brands in Pick´n Pay



Source: Griesharber, 2005.

The African Organic Farming Foundation (AOFF) (Buffee, 2005) aims to reduce poverty among Southern Africa's rural communities through the introduction of organic farming, better nutrition, agro-enterprise development, and management of natural resources. The AOFF compiled a market forecast in 2005, based on achieving a 5 percent share of the categories identified. It is estimated that the wholesale market for vegetable sales via Produce Markets and the Wholesale Market for Packaged Goods could be approximately R800 million, with potential fruit sales raising this figure to over a R1 billion. As noted in the introduction, Buffee (2005) estimates the value of the organic market to be R100 million across all categories of produce.

10. Packaging

Maintenance of the organic integrity of certified produce in supermarkets demands the use of industry standard packaging, based mainly on plastic, including “cling-wrap”, and cardboard products. It is ironic that the environmental and health benefits of organic production may be negated through marketing practices, including export.

Supermarket policy of standardised packaging with associated upper and lower limits for produce size is a major obstacle for organic producers. In-appropriate packaging and other certification-specific marketing requirements have resulted at best in farmers producing other certified products, and at worst, seen dedicated certified farmers allowing their certification to lapse and selling their high quality produce into ordinary, non-organic appreciative markets. Environmentally friendly organically acceptable packaging is a major challenge that has yet to be addressed in South Africa.

Non-packaged produce is available at farmers’ markets and through box-schemes. Some box-schemes use recyclable plastic boxes for the delivery of their produce; the Ethical Co-op in Cape Town offers clients credit for the return of usable packaging such as egg boxes. See: www.ethical.org.za.

11. Prices

Organics South Africa conducted a comparative price analysis between the three major retail chains from January to May 2005 of organic fruit and vegetables, and in May with the prices of conventional fruit and vegetables. An excerpt of this survey is tabulated (after Organics South Africa, January, March, May 2005).

Table 5. Organics South Africa – supermarket organic produce price comparison, including conventional produce.

Produce prices May 2005	Hyperama	Woolworths	Pick 'n Pay	Pick 'n Pay conventional
Apples / Kg	9,99	14,48		5,99
Avocado / 2's	11,99	17,95	11,99	11,99
Baby Marrow / 400 grams	8,99	11,42	10,99	7,99
Bananas / Kg		14,27	11,00	11,00
Brinjal / 2's	7,99	13,98	7,99	8,99
Broccoli / each	7,59	7,95	6,99	
Cocktail Tomatoes / 350 grams	7,99	15,66	12,59	12,59
Green Beans / 400 grams		11,37	8,49	8,99
Green Beans / Kg	22,00	35,70	19,98	17,49
Green Pepper / 2's	9,99	8,95	8,99	7,99
Herb Salad Pack	8,59	8,95	7,99	7,99
Herbs	3,99	4,99	4,29	4,99
Leeks		6,99		
Lemons / 3's	6,99	8,95	4,87	4,49
Sweet Peppers / 3's (red, yellow, green pack)	15,99		14,99	14,99
Sweet corn / 4's		11,99		9,99
Sweet Italian Peppers / 400 grams	10,99	10,95		13,99
Sweet Peppers / 2's	10,99		8,99	6,99
Sweet Potato	5,99		5,99	5,99
Swiss Chard / Kg	17,47	29,95	17,47	16,63

The table reflects the experience of certified organic producers, who unlike their European colleagues are not guaranteed premium prices for their products – indeed organic prices are similar to the current market prices for non-certified produce. Premium consumer prices do not necessarily translate to premiums being paid to the producers, especially when products are sold through the retail chains. This is one of the main reasons for the demise of the certified meat industry in South Africa.

12. Gaining access to local markets

Producer considerations

Protection of marketing strategies and markets is perhaps one of the main reasons for the poor response to this survey, an irony when considering that lack of sound marketing practices by inexperienced producers often sees their downfall, or their reliance on “middlemen” who tend not to pass on the realised premiums to their suppliers. Some of these “middlemen” are of the opinion that organic production is cheaper than non-organic, thereby justifying paying the certified organic producers the same price or less than those paid to non-organic producers. This attitude underlines the urgent need to educate all participants in the organic production chain, as well as consumers of these products.

Continuing this theme, certified organic may well be sold at premium prices to the consumers, but supermarkets stand accused of not passing on these premiums to the producers. In some instances supermarkets have been accused by producers of charging of including the mass of the packaging in determining the final retail price, thereby actually charging a premium for the packaging.

Undoubtedly access to the supermarket chains, such as Woolworths and Pick ‘n Pay, are seen by many producers to be their first domestic marketing strategy. However the challenge of achieving economies of scale of production of high quality produce, packing and transportation to the Food Distribution Centres of the chains is in itself daunting to many, especially small-scale, producers, who do not have the required infrastructure. It can be stated with reasonable confidence that these chains rely on the producers and independent packhouses to pack all of the certified organic fresh produce sold through their outlets. Ultimately all administrative work is channelled through packhouses so that the number of total suppliers (i.e. packhouses) supplying to the chains are limited to ease the administrative burden of the chains.

The supermarket chains have policies of achieving supply consistency and expansion of the range of certified produce on their shelves. Therefore it is advisable that producers, who choose this avenue, should first determine the requirements of the chains to ascertain how best they can creatively fulfil these needs.

Farmers’ markets and box schemes provide desirable marketing avenues for both certified and “organically grown but not certified” produce. A consequence of this approach is that suppliers and consumers are able to establish personal relationships with each other.

One such farmer's market, the Bryanston Organic Market (www.bryanstonorganicmarket.co.za) in Northern Johannesburg, has embarked on the implementation of a Participatory Guarantee System[1], based on the IFOAM's guidelines, whereby "organically grown but not certified" produce may be purchased with greater confidence by consumers who have not yet established a level of trust in the producers. Food safety is also being addressed as a part of this project.

Three Internet based suppliers of organic produce are the Ethical Co-op (www.ethical.org.za), Earthmother Organics (www.earthmother.co.za), and Organics Online (www.organicsonline.co.za), which provide a marketing link between producers and consumers.

Four specific examples of developing marketing alternatives

Allganix, a company located in the Western Cape, is dedicated to the processing and marketing of an expanding range of certified organic produce. They have established business relationships with established companies in the food processing sector, who in turn have sought organic certification in order to maintain the status of the produce. This is highly significant work, through which the concept of organic agriculture is being spread into South Africa's food processing industry as well as expanding marketing opportunities.

The aim of the African Organic Farming Foundation (AOFF) is to introduce organic agriculture and its benefits, such as improved nutrition, job creation, poverty alleviation, environmental protection and trading opportunities to resource-poor rural communities in South Africa. This is one of a number of attempts by formal business to include this sector of the population in organic production. Others include the establishment of certified grower groups of small-scale farmers, who have supplied their produce into the mainstream domestic organic market.

The Natural and Organic Products Exhibition (NOPE), organised by SE Shows and Events, is held annually, the venue alternating between Johannesburg and Cape Town. This is seen by the industry as the primary show-case for organic products in South Africa, showcasing local and foreign producers, processors, retailers and consultants facilitating friendly interchange with each other and members of the public. It is seen as a major opportunity for the establishment of trade links for both the domestic and international markets.

[1] Participatory Guarantee Systems (PGS) are an alternative to formal organic certification by third party agencies. PGS's are based on assurance by a network of people and organisations who are involved in the production, distribution and consumption of products and services, with co-responsibility for guaranteeing the quality and production system. IFOAM has endorsed this alternative approach to certification. See www.ifoam.org.

The South African Country office of the IUCN (the World Conservation Union) launched its Natural Futures project in October 2005 in conjunction with a project partner, PhytoTrade Africa (which is the Southern African Natural Products Trade Association). The Natural Futures programme aims to develop Southern Africa's natural products industry, including certified organic products, for the benefit of both rural poor people and the environment. Visit www.iucnsa.org.za, the home page of IUCN South Africa and www.iucnsa.org.za/our_work/initiatives/natural_futures.htm for more information on the project.

13. Recommended export strategies for organic producers

Exports by South African producers

There are a variety of successful export strategies that are implemented by certified South African organic producers. The basic outlines of these are:

- Membership of organisations that represent organic agriculture within their structure. The three main national organisations are OSA, the BDAASA and the newly-constituted South African Council for Organic Development and Sustainability (SACODAS). The latter has adopted organic agriculture as the umbrella concept of alternative agriculture practices to what is commonly known as conventional or toxic chemical agriculture. This is the agricultural component of a wider concept of achieving sustainable development in line with agreements reached at the World Summit on Sustainable Development in 2002.
- Lodging contact and production details in public and company-owned databases, the former being typically represented in South Africa by the internet based Go-Organic database (www.go-organic.co.za) and the latter by the organisers of the Natural and Organic Products Exhibition (NOPE), SE Shows and Events.
- Entering into a commercial relationship with marketing organisations specifically seeking organic produce, such as:
- EPOPA;
- Eosta / Organic Farm Foods;
- the AOFF;
- Ahold Sustainable Trade Development, a Dutch company with South African representation;
- European based supermarket chains.
- Establishing direct commercial relationships with foreign supermarket chains and processors.

In some instances producers of the same produce have pooled their produce through the establishment of co-operatives, thereby capturing an export market, to which on their own they may not have had access by virtue of limited volumes.

Producers from other African countries exporting to South Africa

Suggested strategies for seeking potential South African trade partners and clients closely mirror the strategies outlined above. Thus contact should be made with the OSA, BDAASA, SACODAS and SE Shows and Events (the organisers of the NOPE) to determine the manner in which these organisations may be of assistance. For example both the OSA and BDAASA have regular quarterly publications in which advertisements may be placed, and SE Shows and Events provide trade contacts through the NOPE as well as in a 'networking' fashion, responding directly to individual queries.

African organic producers may also directly contact the retail supermarket chains such as Woolworths and Pick 'n Pay for retail sales in South Africa.

14. Import and export – applicable South African legislation

The following is a list and brief description of the current South African legislation to which the import and export of agricultural produced is subjected (after Macaskill et. al., 2004). For full details of the Acts, please see www.gov.za and conduct a keyword search, or alternatively go to www.info.gov.za.

Agricultural Pests Act 1983 (Act No 36 of 1983, as amended)

- Act to provide for measures by which agricultural pests may be prevented and combated.
- The main provisions in this Act are to prevent any harmful pest or disease from being imported into the country through ports of entry. Strict control measures and permit control are in force. Officers of the National Department of Agriculture (NDA) have wide ranging powers to enforce measures by which agricultural pests may be prevented and combated. Control measures may relate to the cleansing or destruction of plants or any particular thing infected with pathogens or insects.

Agricultural Produce Agents Act 1992 (Act No 12 of 1992, as amended)

- This Act concerns Fresh Produce Agents. It clarifies and regulates the practising of this profession, whether it is with fresh produce, livestock, or the export of agricultural produce. The Act only applies where farmers use agents to handle their produce, and not when farmers do their own marketing.

Agricultural Product Standards Act, 1990 (Act No 119 of 1990, as amended)

- This Act controls the sale, import, and export of agricultural products.

Animal Health Act, 2002 (Act No 7 of 2002)

- The Act provides for measures to promote animal health and to control animal diseases. It assigns executive authority with regard to certain provisions of the Act to provinces. It regulates the importation and exportation of animals and establishes animal health issues.
- The main provisions of the Act are to:
    - Control measures regarding all animal diseases proclaimed under the Act.
    - No person may import or export any animal or animal product into or from the Republic unless the National Executive Officer has issued an import or export permit.

Customs and Excise Act, 1964 (Act No 91 of 1964)

- To provide for the levying of customs and excise duties, the prohibition and control of the importation or export of goods. This Acts includes what is agricultural in nature.

Fertilizers, Farm Feeds, Agricultural and Stock Remedies Act, 1947 (Act No 36 of 1947)

- This Act provides for:
  - The appointment of a Registrar of Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies;
  - The registration of fertilizers, farm feeds, agricultural remedies, stock remedies, sterilizing plants, and pest control operators;
  - To regulate or prohibit the importation , sale, acquisition, disposal or use of fertilizers, farm feeds, agricultural remedies and stock remedies;
  - The designation of technical advisors and analysts.

Foodstuff, Cosmetics and Disinfectants Act of 1972 (Act No 54 of 1972)

- The Act controls the sale, manufacture, and importation of foodstuffs, cosmetics, and disinfectants.

Genetically Modified Organisms Act of 1997 (Act No 15 of 1997)

- This Act provides measures to:
  - Promote the responsible development, production, use and application of genetically modified organisms;
  - Ensure that genetically modified organisms are appropriate and do not present a hazard to the environment;
  - Establish appropriate procedures for the notification of specific activities involving the use of genetically modified organisms.

International Trade and Administration Act of 2002 (Act No 71 of 2002)

- This Act is to:
  - Establish the International Trade Administration Commission and implement the agreements;
  - Provide for the functions of the Commission and for the regulation of its procedures;
  - Provide for the implementation of certain aspects of the Southern African Customs Union (SACU) Agreement in the Republic;
  - Provide within the framework of the SACU Agreement for the continued control of import and export of goods and amendment of customs duties.

Marketing of Agricultural Products Act of 1996 (Act No 47 Of 1996)

- This Act authorises the establishment of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products.

Perishable Products Export Control Act Of 1983 (Act No 9 of 1983)

- The Act provides for the control of perishable products intended for export from the Republic of South Africa.

15. South African agriculture – organisational structures

Governmental structures

Government is represented on two levels, viz. National and Provincial. Visit:

- National Department of Agriculture (NDA): National Government's web sites: www.info.gov.za and www.nda.agric.za (where clicking the "Search" option will present a search engine for NDA associated websites).
- Provincial Departments of Agriculture: May be found at: http://www.nda.agric.za/docs/Digest2000/intro.htm. However, there have been structural changes within the Department since the publication of the digest, so information contained herein and current web-sites are different.

Statute enforcement organisations

Law enforcement is entrusted to the following organisations (Macaskill, 2004):

- The Perishable Products Export Control Board (PPECB) provides internationally preferred food, safety, quality, and assurance services by undertaking inspections on behalf of the NDA's Directorate of Plant and Quality Control. Phytosanitary certificates are issued to confirm the safety of the produce and that packaging meets minimum standards. Quality inspections are also conducted on produce, including canned and fresh fruit and vegetables. Visit www.ppecb.com/ppecbcms.
- South African Revenue Service (SARS), which is responsible for Customs and Excise on imports and exports. See www.sars.co.za.
- Details of other Government organisations may be obtained from www.info.gov.za.

International compliance and standards

South Africa complies with international agreements and laws regarding the import and export of fresh and processed agricultural produce, including destination specific requirements. Details of these may be found at the web-sites listed above.

Additionally, see www.sacob.co.za for the South African Chamber of Business' (SACOB) list of Trade Agreements and Trade Blocs and links to official websites.

The accessibility to internationally accepted organic certification such as EU, NOP, JAS, Demeter International, and Bio Suisse ensure that certified produce may be exported to the respective countries of destination.

16. International trade structure and logistics

International trade agreements

South Africa is a signatory to preferential trade agreements with the US, EU and sub-Saharan countries. Details may be obtained from the Department of Trade and Industries (DTI) web-site: www.dti.gov.za. These agreements are summarised as follows:

- Africa Growth and Opportunity Act (for the US market). See also www.agoa.gov for more details. Organic products which may benefit under this agreement are:
  - grapefruit juice;
  - grape juice;
  - effervescent grape wine[2];
  - avocados;
  - citrus, such as mandarins (including tangerines and satsumas), clementines, and citrus hybrids, fresh or dried.

- European Union – South Africa Free Trade Agreement3 is a trade, development, and co-operation agreement which went into effect in 2000. Organic products which may benefit under this agreement are:
  - wine (with certain restrictions);
  - fermented beverages;
  - vegetables, fresh, cooked or frozen;
  - citrus, fresh or dried;
  - other fruit and nuts, fresh, cooked, or frozen.

- Southern African Development Community (SADC). This trade protocol is aimed at the phased reduction of tariffs between 11 of the 14 sub-Saharan members of the SADC, with the intention of having created a free trade zone by 2004.

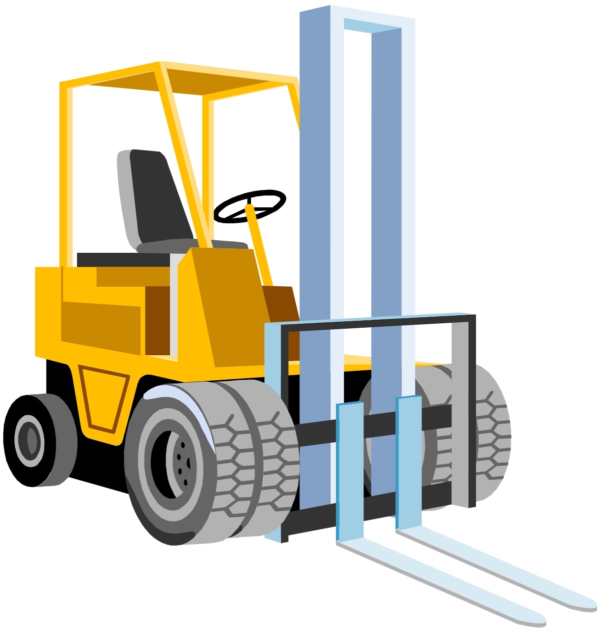
- South African Customs Union (SACU): This agreement between South Africa, Botswana, Lesotho, Namibia, and Swaziland, has resulted in the abolition of internal tariff barriers between member states.

[2] 'Effervescent grape wine' is an example of the terminology which has been used in International Trade Agreements, as certain names, such as sherry, port and champagne, are reserved for products originating from European countries.

[3] Country of Origin clauses may apply, depending on the actual country of origin, and applicable trade agreements. Traders are advised to contact the Department of Trade and Industries (www.dti.gov.za) on a case by case basis to determine the terms of current agreements.

Logistics

South Africa has a well-established import and export business sector, represented by international companies, through which certified organic produce is both imported into and exported from South Africa. There are no special logistical requirements or facilities for certified produce, other than the requirements for maintaining the integrity of the produce. All exported produce is subjected to clearance inspections conducted by the PPECB.



17. Acknowledgements

Go-Organic – Internet based web site of South African organic agricultural producers.

Ms. Diana Callear, Managing Director (SA), Ecocert-Afrisco certification agency.

Mr. Keith Finnemore, Director, OSA.

Ms. Jane Wilson, Secretary, OSA.

Mr. Ged Buffee, President, AOFF.

Mr. Chris Griesharber, Pick ‘n Pay Retail.

18. Abbreviations and Contact Details

Ahold Sustainable Trade Development.
Dutch trade organisation. See www.ahold.com.

Allganix
Organic specific trade organisation. See www.allganix.com and e-mail leonard@allganix.com.

AOFF
African Organic Farming Foundation. E-mail ged@africanorganics.org.

BDAASA
Bio-Dynamic Agricultural Association of Southern Africa. E-mail v_aletta@hotmail.com.

BRC
British Retail Consortium.

BOM
Bryanston Organic Market, situated at the Michael Mount Waldorf School. Visit www.bryanstonorganicmarket.co.za and e-mail mail@bryanstonorganicmarket.co.za.

DTI
Department of Trade and Industries. www.dti.gov.za.

Earthmother Organic
Internet based organic product supply company. Visit www.earthmother.co.za.

Ecocert-Afrisco (PTY) Ltd
Certification agency offering EU, NOP, JAS, Demeter International, Bio Suisse, Naturland and South African specific (NDA) certification. Visit www.afrisco.net or e-mail afrisco@global.co.za

Eosta
Dutch import company for exports to the EU. Visit www.eosta.com.

EPOPA
Export Promotion of Organic Products from Africa. Visit www.epopa.info

Ethical Co-op
Internet based organic box-scheme in Cape Town. Visit www.ethical.org.za.

GMO
Genetically Modified Organism.

HACCP
Hazard Analysis Critical Control Point.

ISO
International Standards Organisation.

IUCN
The World Conservation Union. South African Country office web site: www.iucnsa.org.za.

NDA
National Department of Agriculture. Visit www.nda.agric.za.

NOPE
Natural and Organic Products Exhibition, SE Shows and Events. www.naturalandorganic.co.za.

NPPO
National Plant Protection Organisation.

Organics Online
Internet based organic product supply company. Visit www.organicsonline.co.za.

OSA
Organics South Africa, formerly known as OAASA, the Organic Agricultural Association of South Africa. E-mail enquiries@oaasa.co.za or visit www.oaasa.co.za.

PGS
Participatory Guarantee Systems. Visit www.ifoam.org.

PPECB
Perishable Products Export Control Board. Visit www.ppecb.com.

SACOB
South African Chamber of Business. Visit www.sacob.co.za.

SACODAS
The South African Council for Organic Development and Sustainability. E-mail: kim@bluestarcc.co.za

SACU
Southern African Customs Union.

SADC
South African Development Community.

SARS
South African Revenue Service. Visit www.sars.co.za.

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Grieshaber, C. 2005. Pick´n Pay Retail. Personal communication.

Macaskill, C., Ashdown, L., Janisch, W., Smit, L., MacCallum, N., Daffue, J., Xinwa, S., Struwig, W. (eAgri Team). 2004. National Agricultural Directory, South Africa, 2004/5. www.eAgri.co.za. Rainbow SA. www.rainbowsa.co.za.

Organics South Africa. January 2005. Organic Talk. Vol 2, Issue 1.

Organics South Africa. March 2005. Organic Talk. Vol 2, Issue 2.

Organics South Africa. May 2005. Organic Talk. Vol 2, Issue 3.

Personal Communication, 2005. The reference to the Dubai exports arose from a confidential query made to the Surveyor in his capacity as an Inspector for certified organic agriculture.

SARS, 2006. Average Exchange Rates for the Purposes of the Income Tax Act. South African Revenue Services. See www.sars.gov.za.

20. Annexes

Annex 1: Sources for the compilation of the database of producers and marketing organisations.

The sources listed below and their use is hereby formerly acknowledged.

The Go-Organic database was downloaded from the internet (see www.go-organic.co.za). This is an attempt to build a public database of South African organic producers.

The 2004 published membership list of the BDAASA.

The surveyor’s own private database built up over the years of his association and working within the South African organic industry.

Ecocert-Afrisco, an international (Ecocert) and domestic (Afrisco) certification agency, made its client database available to the surveyor. This was facilitated by the fact that the surveyor, as an Organic Inspector, has a direct professional relationship with Ecocert-Afrisco and was bound by existing confidentiality agreements. The support and transparency of the South African Managing Director of Ecocert-Afrisco, Ms. Diana Callear, is hereby gratefully acknowledged.

The organic umbrella organisation OSA does not publicise its membership list. Therefore the Directors were asked to send the survey to the OSA members on the surveyor’s behalf. Their co-operation and participation, and especially that of the Secretary, Ms. Jane Wilson, are acknowledged.

All of the other known certifiers (domestic and international) operating in South Africa was requested to either supply their client list to the surveyor, or to send the survey to their clients on behalf of the surveyor. All of these certifiers chose to ignore this request.

As a result of the poor response and the above mentioned confidentiality agreement, Ecocert-Afrisco made their files available to the surveyor for the extraction of additional data.

Pick´n Pay, a national retail chain, offered to distribute the survey to their suppliers on behalf of the surveyor.

Woolworths, also a national retail chain, supplied the contact details of 3 companies which import certified organic produce for exclusive retail sale by Woolworths.

An Internet search for South African organic agricultural web sites was conducted.

The surveyor personally visited all of the exhibitors at the Natural and Organic Products Exhibition (NOPE) held in Cape Town, South Africa, in October 2005. A representative was identified from each organisation to whom the survey was sent. This strategy “broadened the net” to include operators who may not yet trade in organic produce, but who may wish to do so in the foreseeable future.

Producers who visited the NOPE and who had not received the survey were individually identified by the surveyor.

EPOPA staff identified an import/export company situated in South Africa.

A total of 266 organisations were identified by the surveyor and polled by e-mail. The number of e-mails distributed by OSA and Pick´n Pay is unknown to the surveyor. Of this total there were 38 responses, a success rate of less than 14 percent.

The contact details of the respondents who granted permission for their publication as well as the NOPE exhibitors may be found in Annex 2.

The contact details of those respondents who requested confidentiality have been submitted to Grolink for their confidential use, and are not published in this report.

Requests for pertinent information were made to professional service and public membership organisations (domestic and international). Amongst these, the OSA was requested to submit an overview of the South African organic industry from their perspective. However this contribution was not forthcoming.

Annex 2: Names, contact details, and produce categories of survey respondents and NOPE exhibitors.

Survey respondents

Farmers

Company	Products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Datan Boerdery	Berries, vegetables	Pierre	Du Toit	014 736 3827	014 736 3827	082 413 2406	datan@telkomsa.net	
Emerald Acres	Citrus fruit, essential oil	Annemarie	Wenning	034 995 9904	034 995 9904	082 495 0405	emeraldacres@intekom.co.za	
Greys Pass Farm (Pty) Ltd t/a Modderfontein Farm	Citrus fruit, rooibos tea	Willie	Odendaal	022 921 2379	022 921 2379	082 920 8025	willie@lando.co.za	
Hunters Creek	Herbs	Glenn	Cuthbert	028 713 4501	028 713 4501	072 768 5671	info@hunterscreek.co.za	www.hunterscreek.co.za
Kirklington Organic Farm	Deciduous fruit, grains, herbs	James	Moffett	051 933 3959	051 933 3959	082 375 8382	jcmoffett@telkomsa.net	
Mahlathini Organics	Seed	Erna	Kruger	033 212 3376		082 873 2289	mahlathini@telkomsa.net	
Proximitas Inv 64 (Pty) Ltd	Citrus fruit	Paul	Marais	042 230 0623	042 230 0623	083 233 8752	dalene@absamail.co.za	
Rosedale Farm	Citrus fruit	Keith	Finnemore	042 2330404	042 233 0404	083 329 8775	rosedale@telkomsa.net	
Spaarkloof Farm	Citrus fruit, deciduous fruit, stone fruit, subtropical fruit, vegetables	Bruce	Gilson	023 626 1191	023 626 1191		gilson@intekom.co.za	www.tierhoekcottages.co.za

Agricultural Companies

Company	Products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
A.M. Muller & Seuns	Subtropical fruit	Michaël / Adriaan	Muller	015 305 3330 / 309 9070	015 305 3331 / 309 9070	083 449 3810 / 083 449 3880	miegrosi@telkomsa.net	
Ecocircle™ Holdings (Pty) Ltd	Vegetables	Miranda	Sutton			083 258 9690	ceo@ecocircle.com	
Grassroots Group (Pty) Ltd	Wild crafted plants	John	Rycroft	023 232 0506	023 232 0429	082 808 1320	sales@grassrootsgroup.co.za	www.grassrootsgroup.co.za
Parceval Pharmecuticals (Pty) Ltd	Medicinal herbs	Ulrich	Feiter	021 873 3895	021 873 5955	082 375 0533	ulrich.feiter@parceval.co.za	www.parceval.co.za
Proximitas Investments 90	Citrus fruit	Mark	van Eenennaam	042 233 0140 / 1885	042 233 0140	082 056 5624	mark@corolux.com	
Tartan Timbers (Pty) Ltd	Essential oils	Grant	McMurray	031 201 2778	086 650 0933	084 622 8811	grant@soil.co.za	www.soil.co.za

Processors

Company	Products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Allganix Foods (Pty) Ltd	Beverages, cereals, edible oils, fruit, sugar, vegetables, vinegar	Leonard	Mead	021 845 4260	021 845 4000	082 854 0927	leonard@allganix.com	www.allganix.com
Cape Natural Tea Products	Rooibos tea	Dawie	de Villiers	021 982 5030	021 982 3176		info@rooibostea.co.za	
Earth Products	Cereals, condiments, sugar, nuts, vinegar	Har Bhajan	Khalsa	011 791 6471	011 791 6472	082 888 0019	info@earthproducts.co.za	www.earthproducts.co.za
Vital Health Foods (Pty) Ltd	Rooibos tea	Bruce	Dennison	021 900 2500	021 903 3158		bruce@vhf.co.za	www.vital.co.za
Woolworths SA	QK Meats SA, City Deep, South Africa for Woolworths	Johan	de Bruyn	012 804 4131	012 804 4279	083 411 4860	johandebruyn@woolworths.co.za	www.woolworths.co.za

Importers, retailers and exporters

Company	Products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Citrofresh (PTY) Ltd	Crop protection inputs	Pieter	van der Westhuizen	021 872 9184	086 684 0822	082 373 8502	citrofresh@mweb.co.za	www.citrofresh.com
Kransfontein Vegetable Producers	Vegetables	Ilona	Schabort	058 304 2321	058 304 3134	083 305 1899	krf@csfs.co.zs	
Organics Online	Personal care products, processed foodstuff	Heather	Todd	0064 4 5653692	0064 4 5653693		heather@organicsonline.net	www.organicsonline.net
Organic Matters	Retailer	Tracy	Webster	011 463 2786	011 463 2786	083 463 2911	tracy@organicmatters.co.za	www.organicmatters.co.za
Pick´n Pay	Retailer of fruit, processed products, vegetables	Chris	Grieshaber	011 453 7100	011 453 6341	082 903 7590	cgrieshaber@pnp.co.za	
Coetzee & Coetzee	Exporter of rooibos tea	Niell	Coetzee	021 905 1709	021 905 3211	082 820 7467	niell@coetzeeltd.co.za	www.coetzeeltd.co.za

Service providers

Company	Products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Agro-Organics (Pty) Ltd	Plant protection products	JHC	van der Merwe	021 851 2403	021 852 3508		agro-org@mweb.co.za	www.agro-organics.co.za
Biocircle (Pty) Ltd	Compost	Mike	Bremer	021 875 5973	021 875 5645		mike@bionamix.com	www.bionamix.com
Biological Control Products (Pty) Ltd	Plant protection products	Clive	Bromilow	031 700 4825	031 700 1338		info@biocontrol.co.za	www.biocontrol.co.za
Biowatch South Africa	Consultancy	Munyardzi	Saruchera	021 447 5939	021 447 5974		munya@biowatch.org.za	www.biowatch.org.za
Ecocert-Afrisco (Pty) Ltd	Certification	Diana	Callear	012 349 1070	012 349 1070	082 6070 495	afrisco@global.co.za	www.afrisco.net
GTZ / RULIV	Consultancy	Lutz	Kramer	043 704 8800	043 704 8821	083 326 2518	kramerl@mweb.co.za	
Lindros Whole Earth Consultants	Consultancy and Micro-organisms derivatives	Alan	Rosenberg	011 467 4925	011 705 2268	082 719 7263	info@lindros.co.za	www.lindros.co.za
SA Biofarm Institute	Consultancy	Robert	Fair	058 622 3585	058 622 3585	083 226 2750	robertf@sabiofarm.co.za	www.sabiofarm.co.za

NOPE exhibitors (Listed after first name)

Company	Note / products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Absolute Organix	Omega 3:6:9 oils cold pressed from organic seeds.			011 482 4231			absorganix@mweb.co.za	
Groenfontein Farms	Koue Bokkeveld / Ceres- herbs, grains, medicinal plants, vegetables.	Alan	Sonneberg			083 325 8584	aps@netactive.co.za	
Premier Fishing SA (Pty) Ltd	Seagro kelp - liquid and pellets.	Athalea	Minnaar	021 419 0124	021 419 0731	082 466 4649	athaleam@premfish.co.za	www.seagroplantfood.com
Bee Force	Bee products.						propolis@icon.co.za	

Company	Note / products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
Tocara Skin & Body Science		Caro	Copeland	021 702 3617	021 702 3619	083 265 2442	caro@drhauschka.co.za	
Aromatic Apothecary		Clive	Sher	021 448 8774	021 448 8773		aromatherapy@mweb.co.za	
Ethical Co-op, The	Organic box distribution.	Craig	Ackermann				craig@ethical.org.za	
Sterisolve	Alternative to Citrofresh, made n South Africa.	Doug	Fisher			082 492 8582	sterisolve@mweb.co.za	
ASNAPP		Emmy	Reinten	021 808 2916	021 808 2917	083 440 7649	emmy@sun.ac.za	www.asnapp.org
Health Wake Up Merger		Frikkie	van Kraayenburg	011 791 4008	011 791 3833	082 862 7222	frikkie@leadthefield.co.za	www.healthwakeup.co.za
Umfazi Trading Co,pany		Gail	Camis	011 468 3757			gcamis@discoverymail.co.za	
		Gavin	Gebers	021 701 9424	021 701 3506	083 252 0467	gavin@syntrade.co.za	
Health Connection				021 701 5290	021 701 0315		healthconnection@mweb.co.za	
Unique Formulations		Jodi	Snyman	021 551 6700	021 552 3758		marketing@uniqueformulations.co.za	
	Pukka Teas, UK Soil certified.	Karin	Diepgrond	021 555 2439	021 555 2439	082 454 4462	urbanyogiza@yahoo.com	
Maltiherbs				011 884 9026	011 883 9549		maltiherbs@worldonline.co.za	
	Looking for organic meat.	Marius	Brundyn	021 981 5535	021 981 5578	082 857 0259	brundyn@adept.co.za	
		Mark	Shearer				mark@mary-anns.com	
Moya (indigenous essential and aromatherepy oils)		Megan	Hussey	022 448 1746	022 448 1746		megan@moyasan.com	
	Nutritional supplements.	Monica	Kibbel	011 794 8480	011 794 8480	082 854 8817	info@salubrity.co.za	
Nature Fresh	Herbal products.			021 706 6181	021 706 6181		info@naturefresh.co.za	www.naturefresh.co.za

Company	Note / products	Contact person; First and Family name		Telephone	Fax	Mobile phone	e-mail address	Web site address
African Pure Products Pty Ltd	Buying from African production groups and selling into the US.	Paul	de Beer				paul@africanpure.com	
	Catalysts (accelerate biological processes), organic fertilizers, compost teas, pest and disease control products, water technology.	Pieter	Kershoff			073 307 1047	cajaorganics@telkomsa.net	
Nutritrim		Retha	van Wyk	086 168 8746			retha@nutritrim.co.za	www.nutritrim.co.za
Living Green		Richard	Davies			072 307 0375	richard@designed.co.za	
Rob Harrywyn Organics	SA - UK trade in certified organic products.	Rob	Harrewyn				robharrewyn@hotmail.com	
Leading Edge Nutrition Centres.		Sally-Ann	Creed	021 794 3052	021 794 0635		sally@sallyanncreed.co.za	
Enviroganics	Australian certified organic cosmetics.	Samantha	Sharkey	023 342 0175	023 342 0179	083 415 6815	info@enviroganics.co.za	
Aroma Africa		Sandi	Nye	021 671 2427	021 531 3545		sandi@aromafrica.co.za	
Soil for Life				021 794 4982	021 794 4982		feathers@worldonline.co.za	
Esse Organic Skin Care	Working with cosmetics.	Trevor	Steyn	033 212 3506		083 371 9514	info@esse.co.za	
Waverley Hills and Dixon's Peak Organic Wines	SGS certified organic wine.			023 231 1060	023 231 0954		info@waverleyhills.co.za	www.waverleyhills.co.za

Development through organic trade

Since the early 1960s there has been a growing market in Europe, Japan and the USA for products grown in a sustainable manner and without the use of agro chemicals. The organic market has grown from US$ 13 billion in 1998 to US$ 25 billion in 2005. This is due to the increasing environmental concerns by the consumers in these developed countries. As such, they are willing to pay premium prices for certified organic products. Slowly but surely, governments, as well as development cooperatives, are recognising the contributions that organic agriculture can make to environmental, health, bio-diversity and food security issues.

The aforementioned situation made for an ideal opportunity for African countries to find premium export markets. Thus, the EPOPA programme – Export Promotion of Organic Products from Africa – was birthed by SIDA in 1997.

The first two phases of EPOPA-programme from 1997-2001 and from 2002-2004 proved to be successful. In 2004, more than 29,000 smallholders participated. It is encouraging to note that the first two projects initiated by EPOPA, involving another 30,000 farmers, are self-sustaining to this day.

The price that the farmers receive for their cash crops is 15 to 40 percent higher. Many farmers report a significant increase in productivity due to more intensive crop management measures. The farmers also produce their own food organically.

The farmers also appreciate the extra attention given to them by the extension workers and generally respond to that by caring more about farming.

The higher prices are not achieved by the organic qualification only but also by better quality products and in some cases, by more direct trading structures. In one project, the exporter is also on the fair trade coffee register. These three aspects together resulted in a 50 to 100 percent increase in income.

Read more about EPOPA at: www.epopa.info

epopa

EXPORT PROMOTION OF ORGANIC PRODUCTS FROM AFRICA