A PROFILE OF THE SOUTH AFRICAN DAIRY MARKET VALUE CHAIN

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1. DESCRIPTION OF THE INDUSTRY

Milk production is the fourth largest agricultural sector in South Africa. The milk and dairy industry contribute largely to South African economy through food security and its dairy products export earnings. In the dairy sector, there are four major breeds in South Africa namely, Holstein, Jersey, Guernsey and Ayrshire. The industry comprises of number of different economic activities and significant differences exist between farming methods and processing of dairy products. These activities involve the production and marketing of raw milk, pasteurized milk and cream, fermented milk, long-life milk and cream, yoghurt, cheese and its by-product whey, milk powder, sweetened and unsweetened concentrated milk, butter and butter oil (ghee).

The supply chain of the dairy begins when the milk starts to be utilised and adding of value. According to Milk South Africa, the Covid 19 pandemic that had affected most of the normal value chain within agricultural sector had a little impact on the dairy industry. In South Africa, the dairy products have performed well under the pandemic circumstances and most of the raw milk was channelled to dairy products market. Other matters within the dairy industry prior to Covid 19 pandemic at a raw milk production level was that the producers were receiving a very low price from the processors due to factors such as higher number of suppliers, imports of the Ultra High Temperature (UHT), no product differentiation. This situation drove farmers out of production most especially the smallholder farmers and only large commercial farmers survived. This also led to number of producers declining by 57% in past decade (2011 to 2020).

South Africa's average milk production per cow per day was 18.1ℓ in 2020. Of the total milk produced in 2020, 99% was delivered to the market while the remaining was used in farm-consumption. Currently large processors are having their own milk producers, which increase the integration of the industry. However, the milk production income depends on the price of milk received. The gross value of fresh milk production is depicted in Figure 1 below.

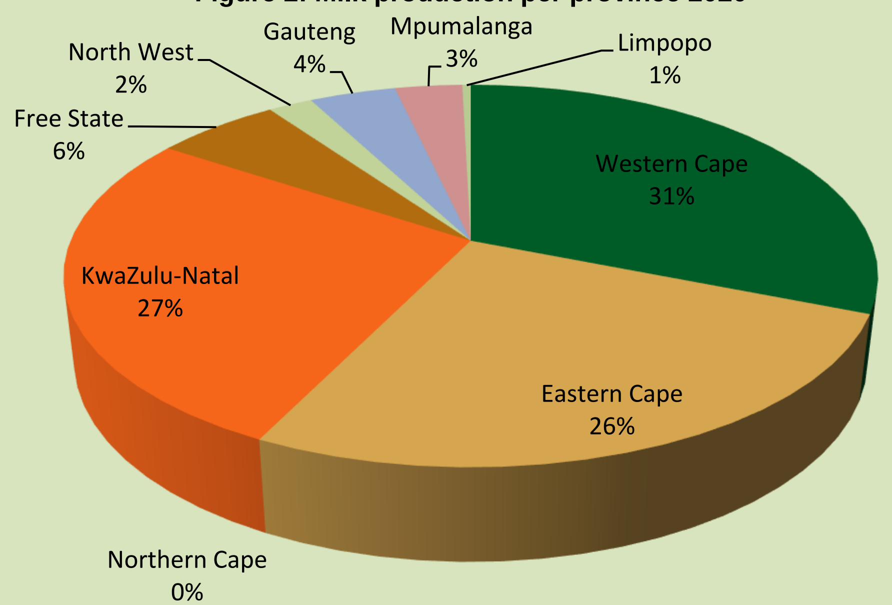
Source: Statistics and Economic Analysis, DALRRD

The gross value of production for milk is dependent on the quantity produced and prices received by producers. Figure 1 indicates that the gross value of fresh milk has been moving at an increasing rate and reached peak of R17.8 billion in 2017/18. However, in 2015/16 the gross value experienced a decrease of 6% due to the drought experienced in 2015 to 2016. The gross value declined in 2018/19 by 10% following the low producer price in that period and picked up again in 2019/20 with an 8% increase. Above all, the figure presents an exponential increase of 95% during 2019/20 relative to 2010/11. This figure also indicate that the gross value of milk produced between 2010/11 and 2019/20 increased by approximately R14 billion per annum on average.

1.1. Milk production areas

In South Africa, the coastal areas are more suitable for milk production due to their mild temperatures as well as good rainfall ensuring good quality natural and artificial pastures. The inland production areas are generally climatically less favourable for milk production. Dairy farming in these areas necessitate intensive and high cost in feedlot production systems. Figure 2 shows contribution of provinces to total milk production in South Africa in 2020.

Figure 2: Milk production per province 2020

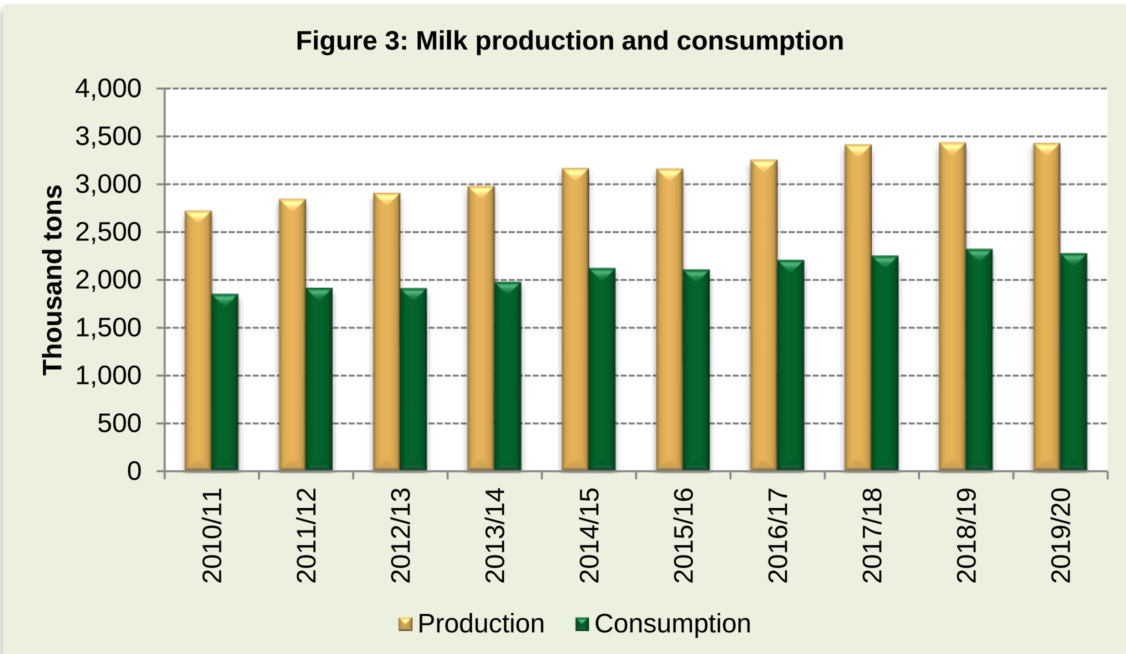


Source: LACTODATA

Figure 2 above, shows that Western Cape province was leading with milk production accounting for 31% in 2020. The KwaZulu-Natal and Eastern Cape Province followed with a share of 27% and 26% respectively. This may be exacerbated by the fact that these three provinces are coastal areas. The Free State contributed 6%, Gauteng 4%; Mpumalanga 3%; North West 2%, while the Northern Cape and Limpopo provinces contributed less than 1% each. It is clear from the figure that the coastal arears contribute about 84% to the total milk production in the country. This is the case due to the better pasturage amongst other reasons.

1.2. Production and consumption trends

The total milk produced in 2019/20 was about 3.427 million tons, approximately 0.2% up on the previous year. South Africa produced about 3.1 million tons per annum over the period of ten years on average. Irrespective of the number of producers exiting the milk farming business, milk production per annum shows a steady linear upward trend over the period under analysis. However, there was a slight decrease of 0.2% in 2015/16 from the previous year due to drought experienced on the same year. Milk consumption is driven by global population growth and growth in per capita consumption. The production and consumption of milk has increased by 26% and 23% respectively from 2010/11 to 2019/20.



Source: Statistics and Economic Analysis, DALRRD and LACTODATA

1.3. Employment

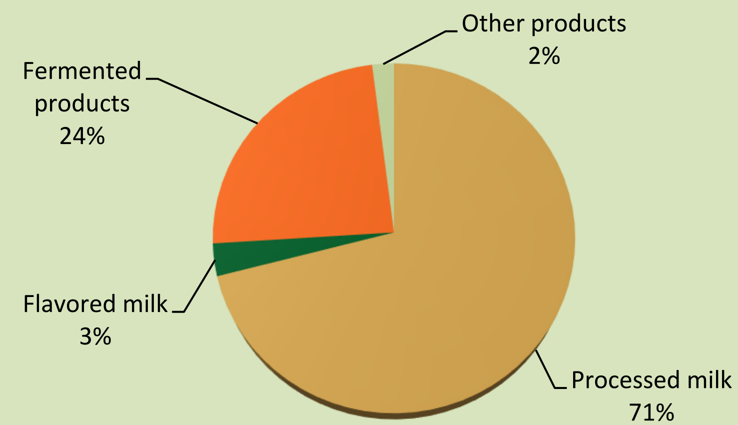
The South African dairy industry is important to the job market with over 1 053 milk producers employing 60 000 farm workers and providing 40 000 people with indirect jobs within the value chain like milk processing and milling industry.

2. MARKET STRUCTURE

The South African dairy market is divided into 62% liquid and 38% concentrated products 2020. Processed milk is the major liquid product, while cheese is the major concentrated product. Different types in each category are shown in Figures 4 and 5.

Figure 4 below presents the composition of liquid milk products in 2020.

Figure 4: Composition of milk products (Liquid) in 2020

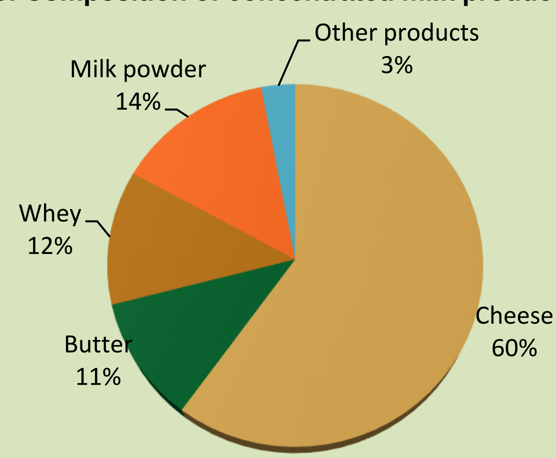


Source: LACTODATA, 2021

Figure 4 shows that processed milk was leading with a market share of 71% followed by fermented milk products with 24%, flavoured milk by 3%. Other products combined accounted for 2% which is the lowest market share of liquid milk.

Concentrated milk products (Figure 5) consist of cheese with a share of 60% followed by milk powder with 14%, whey and butter contributed 12% and 11% respectively. Lastly, other products within the concentrated products market shared the remaining 3%.

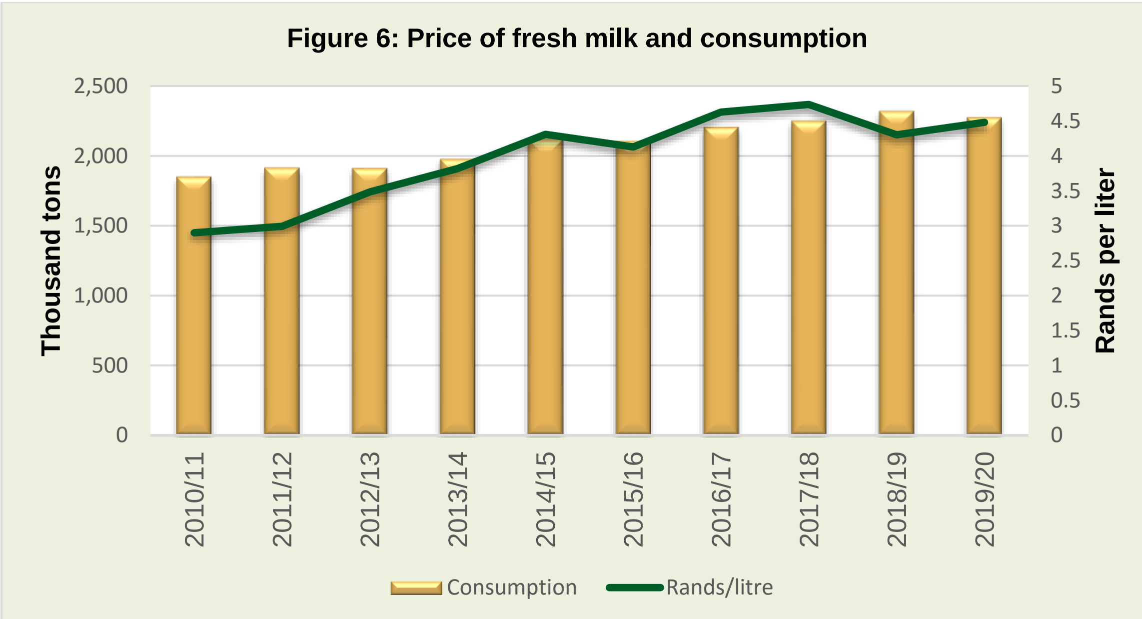
Figure 5: Composition of concentrated milk products 2020



Source: LACTODATA

2.1. DOMESTIC MARKET AND PRICES

Local milk consumption and prices from 2010/11 to 2019/20 is illustrated in Figure 6.



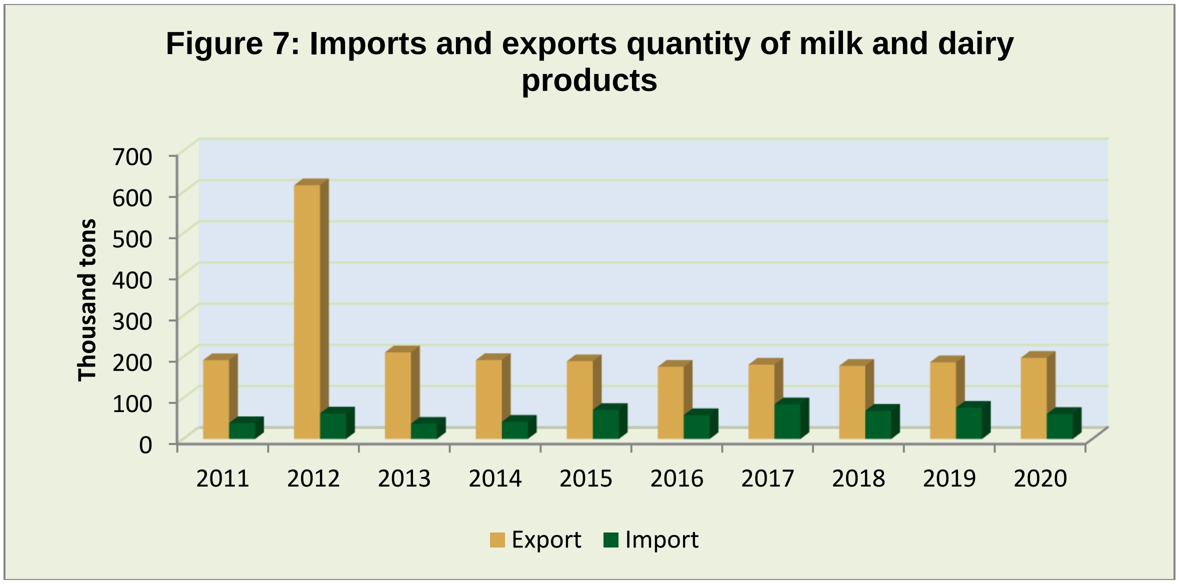
Source: Statistics and Economic Analysis, DALRRD

From Figure 6 above, it is clear that consumption and price of milk has been fluctuating for the past decade. The lowest price of milk was R2,90 in 2010/11 and reached peak with R4,70 in 2017/18, which is 69% increase. The figure also shows that consumption of milk was not much influenced by its price as there is no reflection of consumption reaction to price over the period analysed. Although the price declined in 2018/19, consumption grew as normal as the previous years. Despite the fluctuating trend, the price of fresh milk has increased by 54% for the past ten years.

2.2. EXPORT AND IMPORT OF DAIRY PRODUCTS

The top producers of milk internationally are Asia, European Union (EU), North America and Central America. Milk production in South Africa makes a very small contribution (0.4%) to the world production but in terms of the values of agricultural production in South Africa, it is the fourth largest agricultural industry

Milk is produced much more cheaply in New Zealand and certain parts of the world than in South Africa. Imported milk from the EU and USA is cheaper than the locally produced in South Africa because of subsidies in these countries. Dairy companies in those countries are paid a guaranteed floor price for designated quantities of dairy products. Dairy companies in both countries are given a subsidy to bridge the gap between the supported domestic price and world market price. In the EU, dairy farmers are paid subsidies for the use of certain inputs. The annual imports and exports of dairy products of South Africa from 2011 to 2020 is shown in Figure 7.

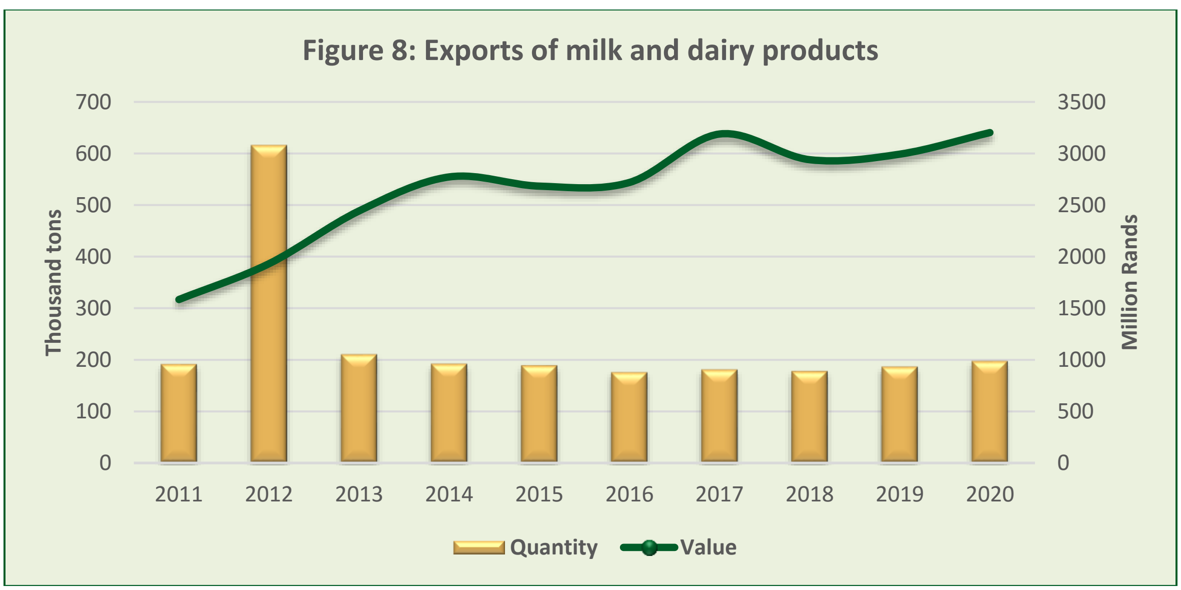


Source: Quantec EasyData

Figure 7 showed that South Africa has been a net exporter of total milk and dairy products during the past decade. The increase in exports in 2012 was due to the attractive international price of milk, which encouraged more exports. Despite fact that South Africa is a net exporter, the trends show that from 2013 to 2016 the exports were slightly decreasing while the imports are increasing from 2013 to 2015. Overall, the figure shows that, imports and exports have been fluctuating over the past decade with exports just below 200 thousand tons (Except 2012) and imports being less than 100 thousand tons for the past decade.

2.2. EXPORTS

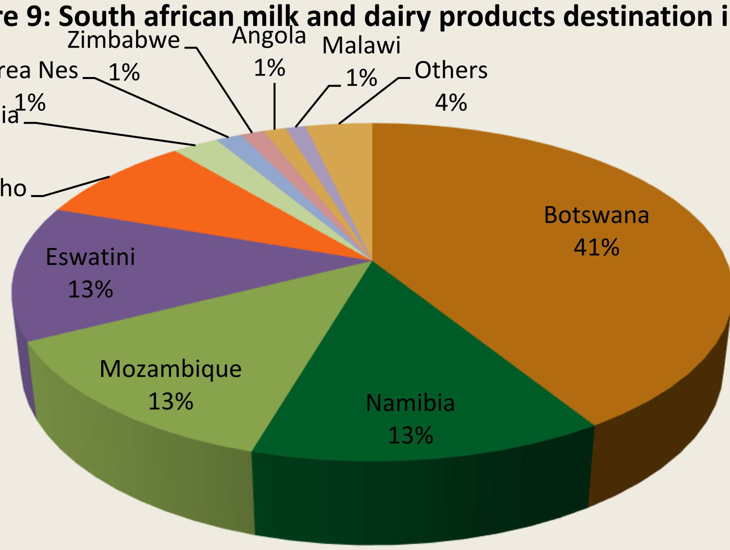
Figure 8 below shows the exports of dairy products in quantity and value from 2011 to 2020.



Source: Quantec EasyData

The dairy industry is an important earner of foreign exchange. In 2012, exports of dairy products were very high and amounted to 616 009 tons, this was triple the average amount of exports quantities for the past 10 years. The export quantity and value of milk and dairy products in 2019 slightly increased by approximately 6% and 7% respectively. From Figure 8 above, exports quantity fluctuated throughout the period under analysis. Exports quantity of milk and dairy products experienced the lowest exports in 2016 due to the low production in the local market. The value of milk and dairy products have reached a new peak in 2020 amounting to R3.2 billion. For this past decade, the quantity and value increased by 3% and 102% respectively.

Figure 9: South african milk and dairy products destination in 2020

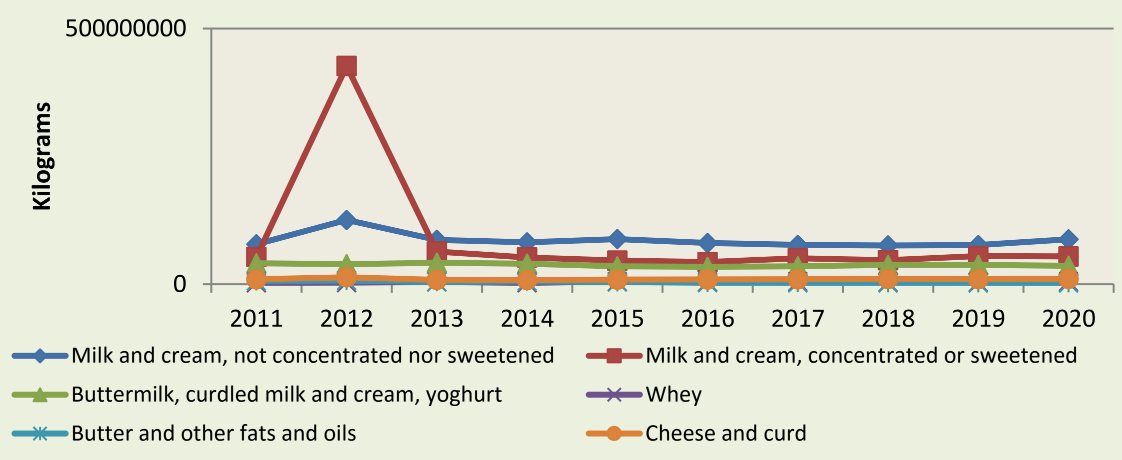


Source: Quantec EasyData

Figure 9 shows that during 2020 Botswana commanded the greatest market share of South African milk and dairy products exports accounting for 41% followed by Namibia with 13% and Mozambique 13%, Eswatini and Lesotho with 13% and 9% respectively. The rest of the countries shared remaining 11%. Noteworthy is the fact that most of the South African export market of dairy is SADC countries.

Figure 10 below, shows the quantities of milk and dairy products exported by South Africa in the past decade.

Figure 10: Quantities of milk and dairy products exports by South Africa



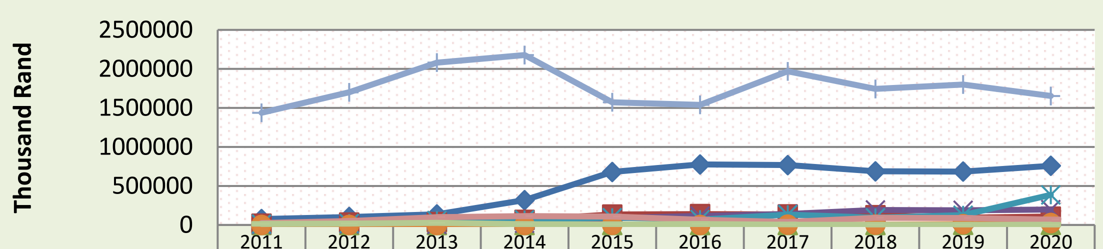
Source: Quantec EasyData

On average, the milk and cream (not concentrated nor sweetened) dominated the export market of milk and dairy products except in 2012 where the milk and cream, concentrated or sweetened increased and took a lead. In total, the milk and cream, concentrated or sweetened accounted for a share of 38% for the past decade followed by milk and cream (not concentrated nor sweetened) with 37%. Buttermilk accounted for 16.7% and cheese and curd with 4.3%. Lastly, Whey and butter and other fats and oils commanded the lowest export quantities with a share of 1.8% each during the past decade.

2.2.1. Export values of milk and dairy products

Figures 11 – 22 shows the export of milk and dairy products from Provinces to District Municipalities.

Figure 11: Value of milk and dairy products from provinces



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Western Cape	75848	102163	135389	318890	678893	775792	766983	687875	683930	757990
Eastern Cape	17112	30547	37014	65757	133553	139237	134911	126014	93239	107542
Northern Cape	0	0	0	1	100	36	124	6	2357	1760
Free State	2406	10155	6632	21896	87313	115723	140191	192287	187875	197631
KwaZulu-Natal	12911	20490	56483	65380	95219	69449	132985	92619	125591	385727
North West	0	11	19	577	1518	566	3199	3573	9698	25665
Gauteng	1437950	1700341	2081079	2177322	1572009	1539677	1968944	1743652	1800355	1653733
Mpumalanga	24802	50541	99740	113438	107178	66808	38182	92050	88842	69731
Limpopo	13305	17438	27330	9799	7672	11962	3324	1329	1780	3006

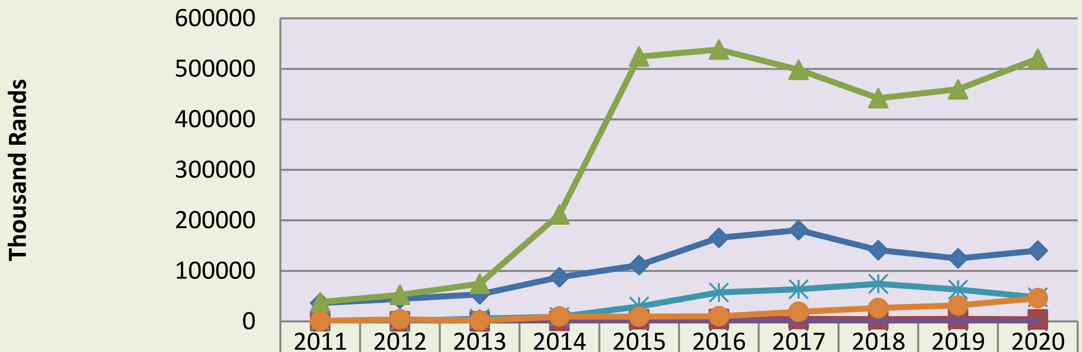
Source: Quantec EasyData

Figure 11 illustrates that Gauteng Province played a major role in the exports of milk and dairy products from 2011 to 2020 with a peak value of R2.2 billion in 2014. This may be due to the fact that Gauteng is the main exit point for traded goods. Western Cape Province commanded the second highest of milk and dairy products exports throughout the period under review.

On average, Gauteng export value amounted to R1.8 billion per annum, followed at a distance by Western Cape with R498 million, then Free State and Eastern Cape Provinces which commanded R96 million and R88 million respectively. The lowest value of milk and dairy products were recorded in North West and Northern Cape provinces with R4.4 million and R438 000 respectively. Northern Cape and North West recorded fractional exports during the period under review.

The Western Cape performance with regard to exports of milk and dairy products is presented in Figure 12 below.

Figure 12: Values of milk and dairy products exported from the Western Cape Province

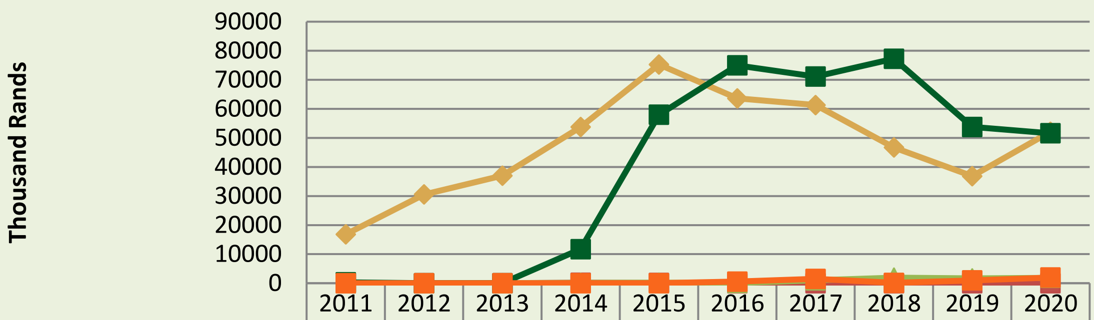


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City of Cape Town	36239	44710	53632	87353	111313	165457	180689	140976	124687	140056
West Coast	300	0	0	1080	4264	4689	4844	4353	4921	3991
Cape Winelands	38194	52725	74611	211756	524319	538073	498229	441812	459460	520297
Overberg	0	0	0	111	76	75	486	8	256	23
Eden	159	625	5508	9093	29506	57289	63631	74320	63001	47647
central Karoo	956	4103	1637	9498	9415	10209	19103	26470	31605	45975

Source: Quantec EasyData

In Western Cape Province, Cape Winelands District Municipality and City of Cape Town Metropolitan Municipality recorded highest export of milk and dairy products throughout the period under analysis. Fractional exports were recorded from West Coast and Overberg District Municipalities. There was an immense increase of export value of milk and dairy products from Cape Winelands, which accounted for an export share of 77% in 2015. The District Municipality continued to lead export with a share of above 60% until 2020.

Figure 13: Value of milk and dairy products exported from the Eastern Cape Province

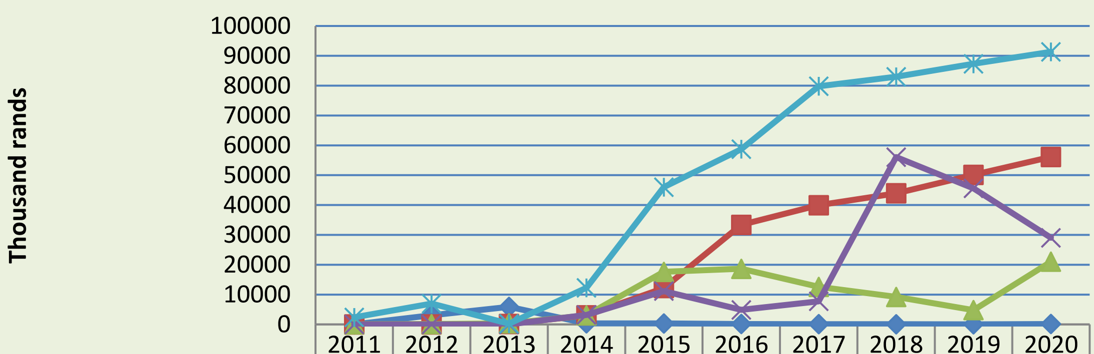


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cacadu	16815	30547	37014	53744	75270	63626	61298	46708	36849	52124
Joe Gqabi	0	0	0	175	102	0	0	0	0	0
Alfred Nzo	0	0	0	133	204	99	995	1911	1658	1862
Nelson Mandela Bay	297	0	0	11705	57969	74970	71122	77256	53764	51604
Buffalo City	0	0	0	0	8	543	1496	129	968	1952

Source: Quantec EasyData

In Eastern Cape Province, milk and dairy products exports values were mainly from Cacadu District Municipality and Nelson Mandela Bay Metropolitan Municipality. High values has been recorded from Cacadu District Municipality, which commanded the highest values from 2011 to 2015 and again in 2020. In 2016, Nelson Mandela has increased exports by 33% and took a lead from 2016 to 2019 while Cacadu shows a declining trend in same periods. Irregular exports of milk and dairy products were recorded in the Nelson Mandela Bay Metropolitan Municipality, Joe Gqabi, Alfred Nzo and Buffalo City District Municipalities. Overall exports values from the province have increased by 15% in 2020.

Figure 14: Value of milk and dairy products exported from Free State Province

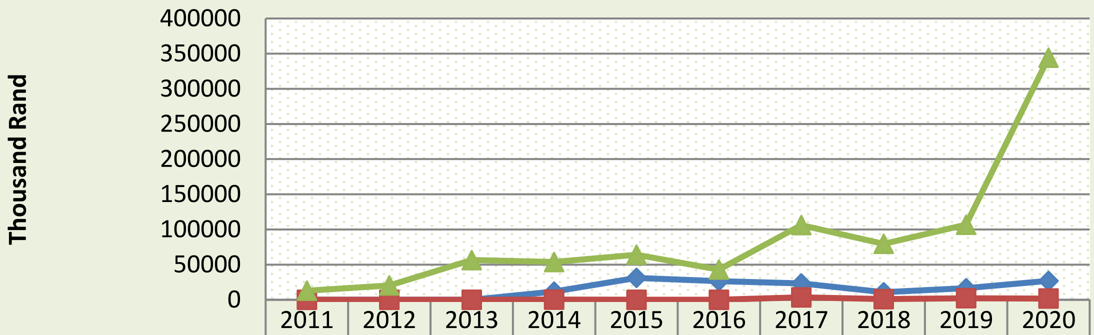


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Xhariep	0	3073	5882	352	320	140	84	64	30	135
Lejweleputswa	0	1	174	3031	12182	33371	39947	43942	50128	56122
Thabo Mofutsanyane	33	104	345	3064	17633	18632	12600	9221	4806	21010
Fezile Dabi	0	0	1	3185	11171	4870	7742	56070	45586	29026
Mangaung	2372	6978	230	12264	46008	58711	79817	82991	87325	91338

Source: Quantec EasyData

Intermittent values were recorded from Free State Province (Xhariep, Fezile Dabi, Lejweleputswa and Mangaung) except Thabo Mofutsanyane District Municipality. Mangaung District Municipality recorded a highest values from the province in the past decade except in 2013 were Xhariep took a lead. Fezile Dabi increased exports by 624% and took second lead by exporting approximately R56 million in 2018. In 2020, Mangaung continue leading exporter of milk and dairy products in the province with a share of 46%. Followed by Lejweleputswa and Fezile Dabi with 28% and 14% respectively.

Figure 15: Value of milk and dairy products exported from KwaZulu-Natal Province

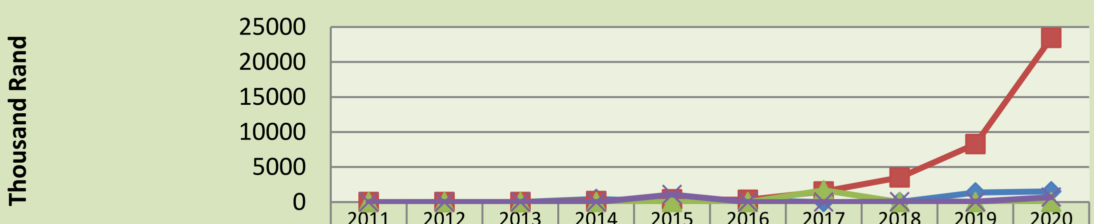


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
UMgungundlovu	50	126	11	11590	31060	26491	23252	10702	16416	26804
Zululand	5	0	0	194	0	1	3463	866	2170	1716
eThekwini	12861	20364	56472	53756	64054	42938	106174	79513	106713	344200

Source: Quantec Easy data

In KwaZulu-Natal Province, high milk and dairy products export values have been recorded at eThekwini Metropolitan Municipality and UMgungundlovu district municipality throughout the period of analysis. Zululand District Municipality recorded intermittent exports of milk and dairy products during the past decade. Milk and dairy products export values from eThekwini have immensely increased in 2020 reaching a new peak of 344 million. EThekwini has recorded an export share of over 80% from in the past decade except in 2015 and 2016. UMgungundlovu and Zululand were sharing the remaining shares, which makes eThekwini the main exporter.

Figure 16: Value of milk and dairy products exported by North West Province



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bojanala	0	11	0	443	54	234	1	4	1364	1525
Ngaka Modiri Molema	0	0	0	131	394	329	1512	3512	8275	23433
Dr Ruth Segomotsi Mompati	0	0	0	0	4	1	1684	0	0	0
Dr Kenneth Kaunda	0	0	19	3	1066	2	2	57	58	706

Source: Quantec EasyData

Intermittent values were recorded in North West Province from all District Municipalities (Bojanala, Ngaka Modiri Molema, Dr Ruth Segomotsi Mompati and Dr. Kenneth Kaunda). Generally, the exports have been minimal until 2017, whereby Dr Ruth Segomotsi Mompati and Ngaka Modiri Molema District Municipalities have hugely increased their exports to R1.6 million and R1.5 million. Their market share for 2017 was 52.6% and 47% respectively. Ngaka Modiri Molema further increased exports until 2020 reaching a new peak of R23 milion whilst Dr. Ruth Segomotsi Mompati declined to zero. In 2020, although Bojanala and Dr Kenneth Kaunda recorded some exports, they were minimal such that their export share was 9% combined while Dr Ruth Segomotsi Mompati accounted for 91%. In total, Ngaka Modiri Molema has recorded 84% of exports followed by Bojanala and Dr Ruth Segomotsi Mompati with 8% and 4% respectively. Lastly, Dr Kenneth Kaunda recorded the lowest exports share of 4% for the past decade.

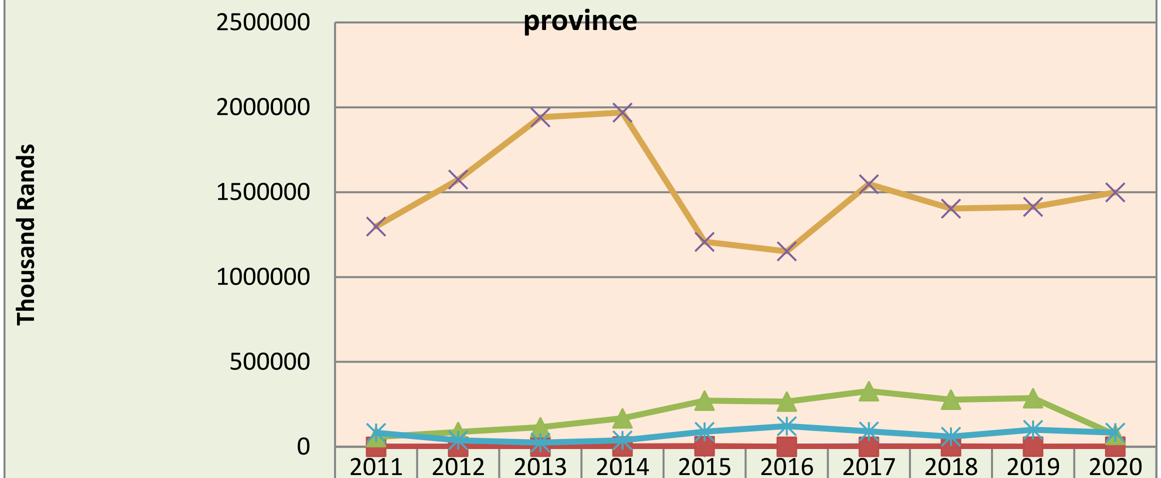


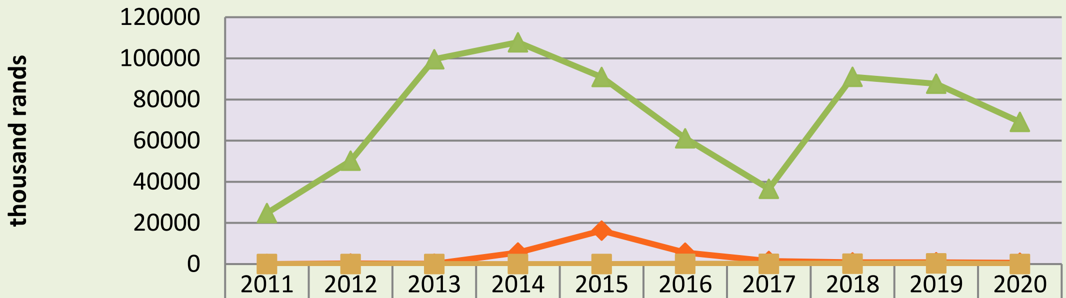
Figure 17: Value of milk and dairy products exported from Gauteng province

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Sedibeng	51	19	32	554	125	325	2938	947	33	15
West Rand	182	279	416	1991	3733	360	167	2739	488	897
Ekurhuleni	57583	87418	115068	168000	271752	266041	328082	277479	286495	70252
City of Johannesburg	1298056	1574245	1941090	1969165	1207614	1151310	1547319	1403189	1413302	1498935
City of Tshwane	82077	38380	24472	37611	88786	121640	90437	59716	100037	83634

Source: Quantec EasyData

In Gauteng Province, high milk and dairy products export values have been recorded by City of Johannesburg Metropolitan Municipality in the past ten years. The city reached a peak in 2014 valued at approximately R2 billion for milk and dairy products export. The city decreased by 38% in 2015 however continued leading in the province. Ekurhuleni District Municipality commanded the second level following City of Johannesburg at a distance. All the district municipalities in Gauteng participated on a regular basis on exports of milk and dairy products for the period under review. City of Johannesburg Metropolitan Municipality has recorded export share of over 90% from 2011 to 2020.

Figure 18: Value of milk and dairy products exported from Mpumalanga Province

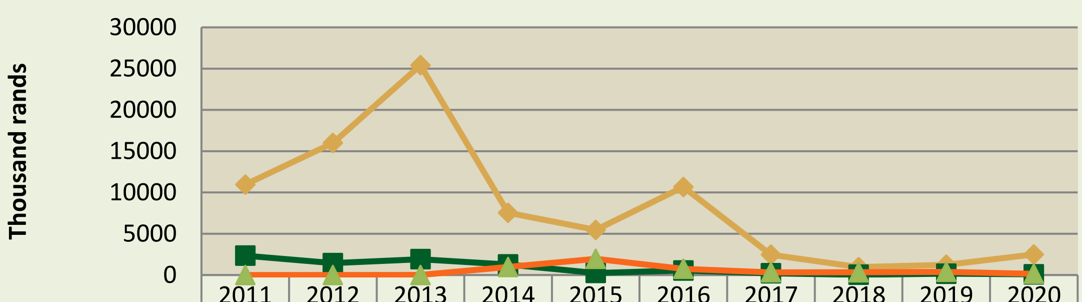


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gert Sibande	0	286	146	5613	16230	5550	1467	843	853	626
Nkangala	0	0	0	1	6	122	133	207	329	0
Ehlanzeni	24801	50255	99594	107824	90942	61136	36582	91000	87660	69105

Source: Quantec EasyData

In Mpumalanga Province, outstanding export values of milk and dairy products were recorded by Ehlanzeni District Municipality, which recorded exports regularly during the past decade. Irregular exports of milk and dairy products were recorded from Gert Sibande and Nkangala District Municipalities. Ehlanzeni District Municipality has reached its peak in 2014 with a record of R107.8 million, and then showed a decreasing trend of about 66% from 2014 to 2017. Irrespective of the decline in 2017, the market share was still high at 95.8%. Following the increase in 2018, the district shows a declining trend up to 2020.

Figure 19: Value of milk and dairy products exported from Limpopo Province

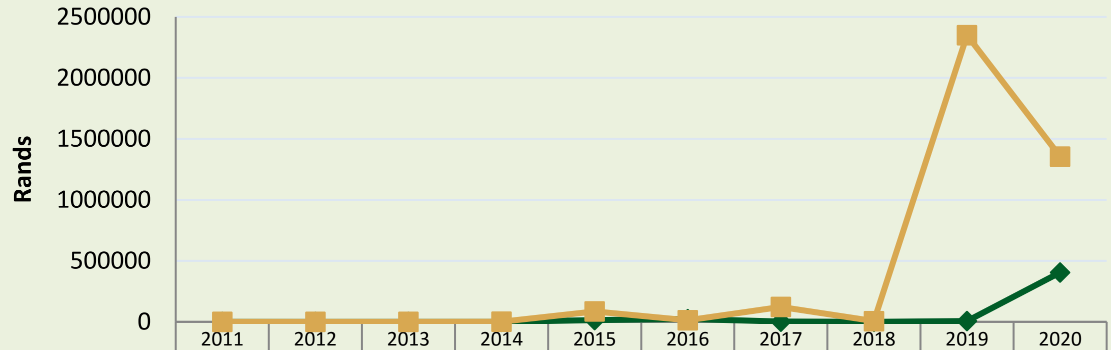


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Vhembe	10958	15993	25408	7541	5463	10666	2460	961	1235	2490
Capricorn	2343	1443	1914	1278	246	545	213	32	164	88
Waterberg	0	0	7	980	1963	750	329	336	381	150

Source: Quantec EasyData

Limpopo Province recorded minimal exports of milk and dairy products for the past decade. Vhembe and Capricorn District Municipalities recorded exports regularly. Vhembe recorded the highest exports for the entire period under analysis. Waterberg District Municipality have recorded intermittent exports where there was zero exports from 2011 to 2012. Waterberg District Municipality reached a peak in milk and dairy products export values and became second highest exporter in 2015, accounting for 26% share. In 2020, both Capricon and Waterberg District Municipalities have declined while Vhembe showed an increase or 102%. In aggregate, the province total exports increased by approximately 53% in 2020.

Figure 20: Value of milk and dairy products exported from Northern Cape Province



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Namakwa	0	40	0	0	14578	22805	1842	0	6946	404660
Siyanda	0	0	0	1307	85621	12974	122082	6149	2350114	1355305

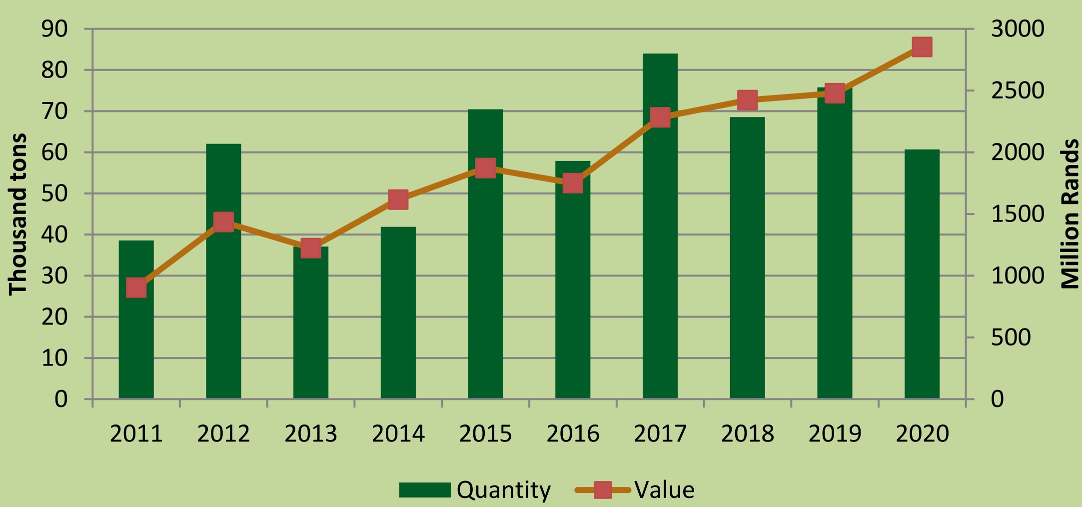
Source: Quantec EasyData

Northern Cape Province did not record milk and dairy product exports in 2011 and 2013. The Province attained its peak in 2019 through Siyanda District Municipality with an export worth of R2.3 million. This Municipality recorded highest exports during exporting years except in 2016 where Namakwa took a lead with an export share of 64%. In 2020, Siyanda declined by 42%, however the district remained a leading market with an export market share of 77% while Namakwa took 33%.

2.3. IMPORTS

Figure 21 below present South African imports of milk and dairy products from 2011 to 2020.

Figure 21: South Africa imports of milk and dairy products



Source: Quantec Easydata

Figure 21 above shows that imports of milk and dairy products fluctuated in both quantity and value throughout the period under analysis. Despite the fluctuation, the quantity and value of milk and dairy products have shown an increasing trend for the past decade. The import quantity of milk and dairy products reached the new peak of 83 972 tons in 2017 and the value reached a new peak of over R2.85 billion in 2020. The average import quantity and value over the past ten years amounted to 59 689 tons at a value of R1.88 billion over the past 10 years. Figure 21 presents the imports of milk and dairy products from 2011 to 2020.

Figure 22 below shows the different types of milk and dairy products imported from 2011 to 2020 in terms of quantity.

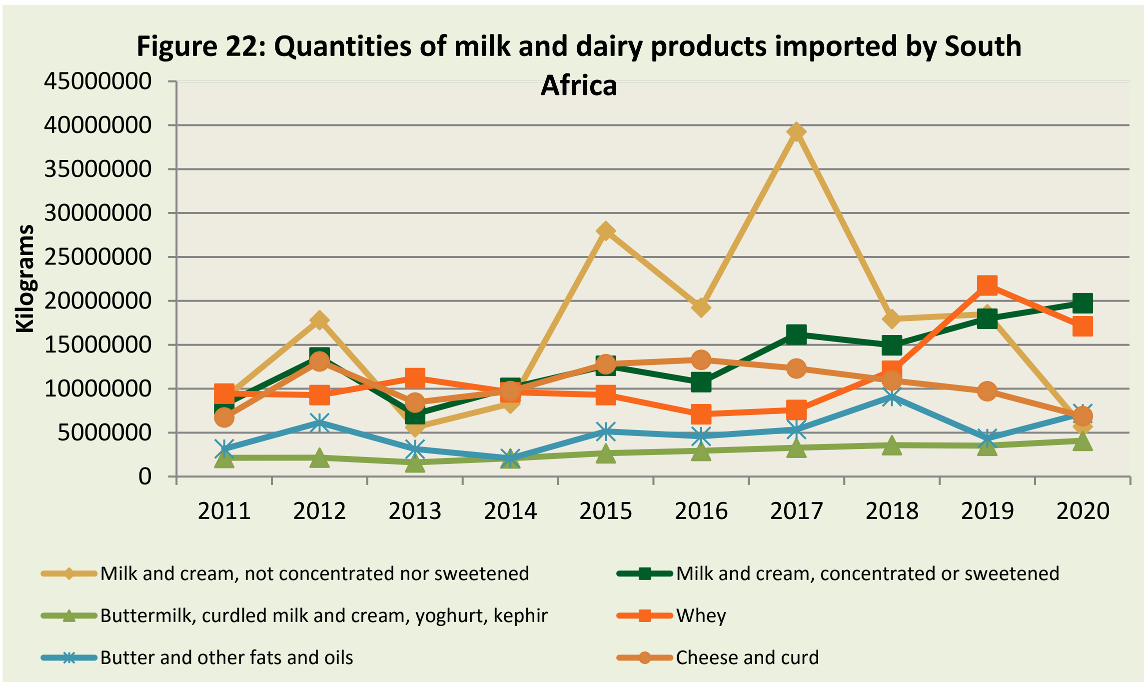
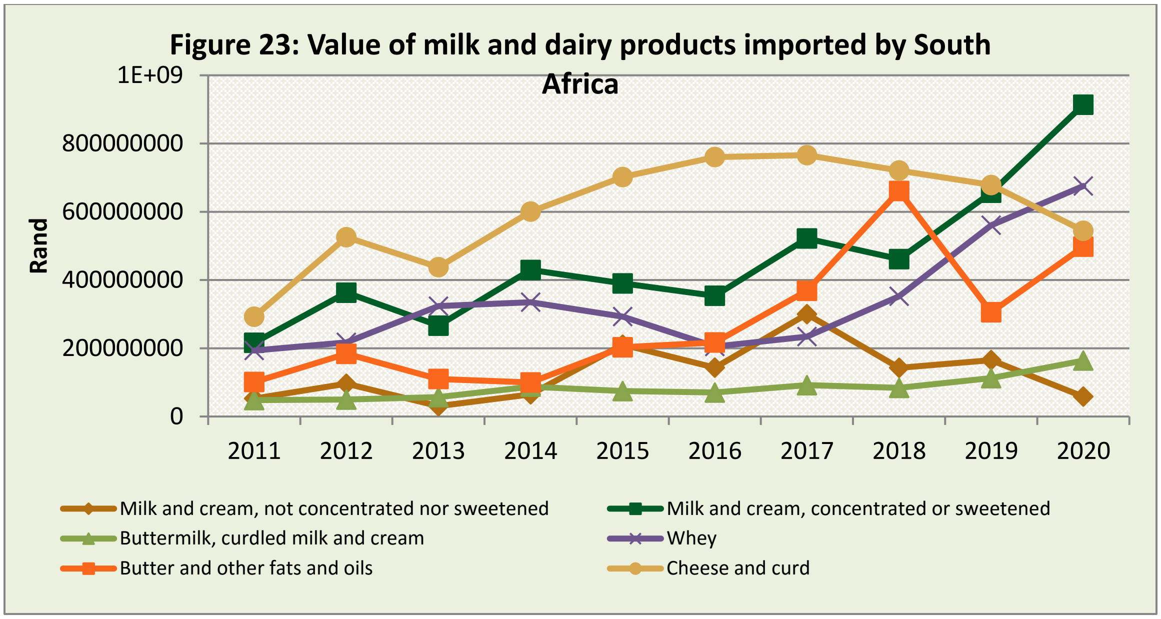


Figure 22: Quantities of milk and dairy products imported by South Africa

Source: Quantec EasyData

Figure 22 shows that milk and cream (not concentrated nor sweetened) was the most imported dairy products in South Africa during the period under analysis. Milk and cream (not concentrated and sweetened) was leading the import market in most of period reviewed. Whereas whey recorded the highest quantities imported during 2011, 2013 and 2019. Buttermilk, curdled milk & cream and Butter & other fats and oils contributed lower to the imports of milk and dairy products for the entire period of analysis.

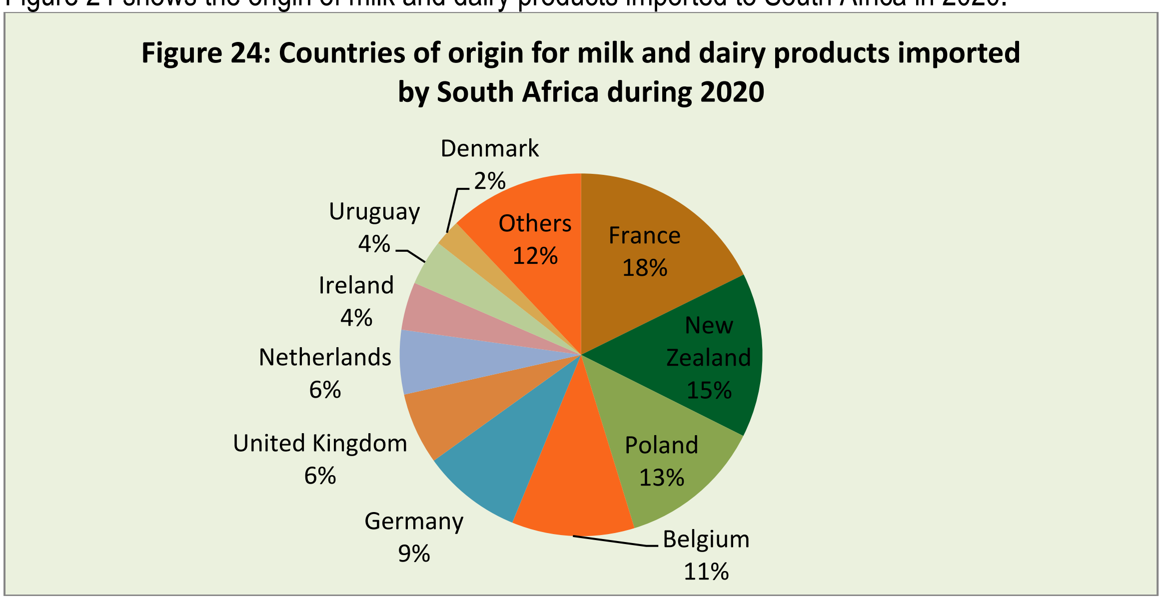
Figure 23 below shows the different types of milk and dairy products imported from 2011 to 2020 in terms of value.



Source: Quantec Easydata

Figure 23 above indicate that cheese and curd and milk and cream (concentrated or sweetened) accounted for a great share of value for milk and dairy products imported by South Africa during the past decade. On average cheese & curd and milk & cream (concentrated or sweetened) commanded a share of R602 million and R457 million per annum respectively. Followed by Whey with R339 million, butter and other fats and oils with R274 million, Milk and cream, not concentrated nor sweetened at R126 million and lastly Buttermilk at R83 million.

Figure 24 shows the origin of milk and dairy products imported to South Africa in 2020.



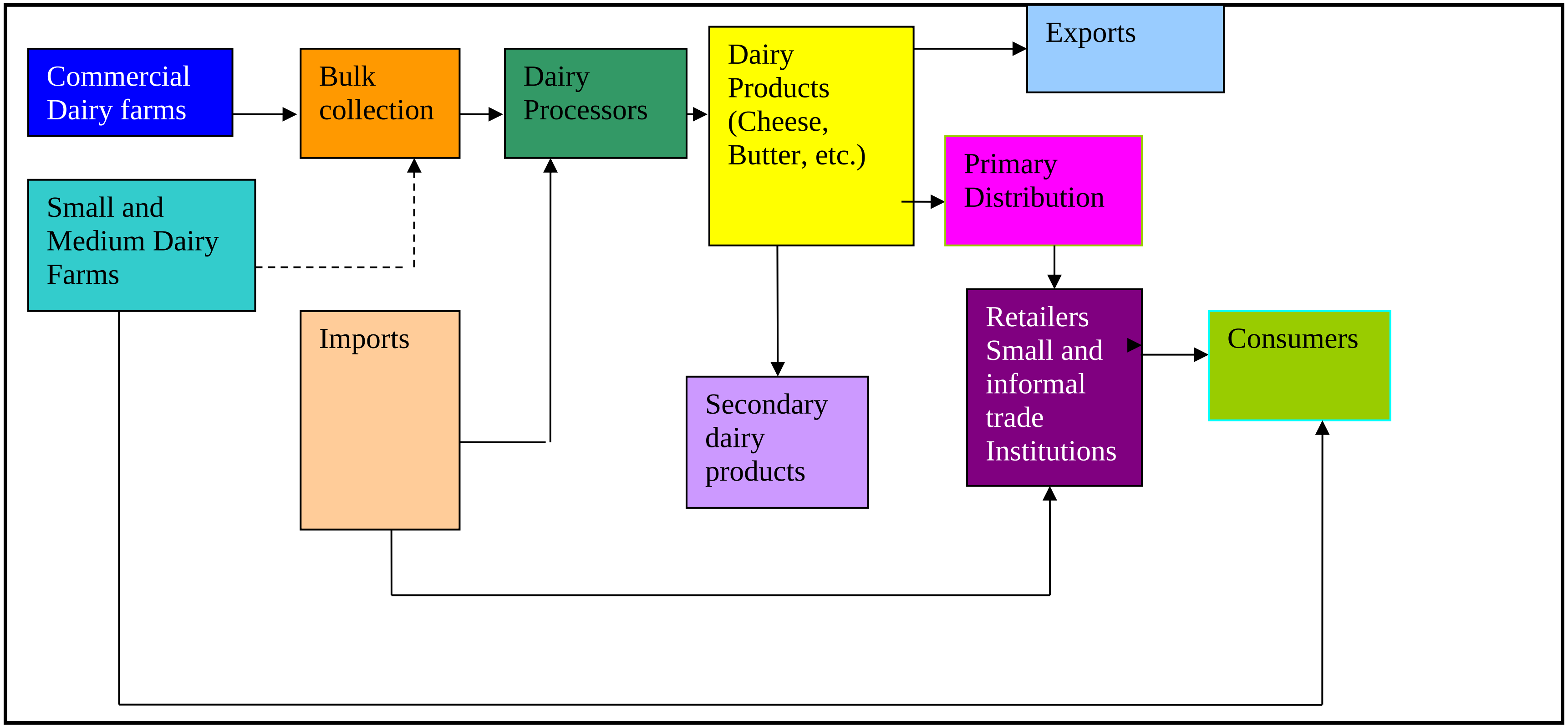
Source: Trade map

Figure 24 above shows that the main supplier of milk and dairy products to South Africa in 2020 was France which had an import market share of 18%, followed by New Zealand which accounted for 15%, then Poland with 13%, and Belgium with 11% of milk and dairy products to South Africa. Plenty of countries exported minimal amounts of milk and dairy products to South African in 2020.

2.5. MARKETING CHANNELS IN THE DAIRY INDUSTRY

Milk production in South Africa is mainly by two sectors; commercial producers, and small and medium size producers (see Figure 25). Commercial producers sell milk to dairy processors. Small and medium size producers sell most of their milk directly to consumers and some to processors. Dairy processors buy milk from farmers and import milk concentrates and produces dairy products for primary distribution to retailers, exports and for further processing.

Figure 25: Marketing Channels.



3. EMPOWERMENT PLANS BY THE INDUSTRY

The following is a list of ventures/projects/programmes. Media releases were arranged for the dairy industry. The MPO, in conjunction with the provincial departments and municipalities and other relevant stakeholders were responsible for these empowerment plans.

3.1. Successful ventures: Commercially viable

Fort Hare Dairy Trust outside Alice in Eastern Cape started in 2004 and the first cow was milked in October 2007. The trust started between a partnership between 70 white farmers from the Tsitsikamma and the Underberg area – through their company Amandlelo Agri and University of Fort Hare. The University donated land and the cost of the project was R22 million (R2 million donated by University, R5 million by Amandlelo and 15 million by Land Bank of which 7.5 million is loan). The farmers signed on an empowerment company Vuwa Investments which was given 35% stake in the company. The farmers kept 49 % and the rest was shared among 600 workers from the 70 dairy farms. Today Fort Hare Dairy Trust is a state-of-the-art commercial dairy farm. It has 800 cow rotary parlour that produces approximately 10 000 litres of milk a day much of which is supplied to Clover milk company. The farm that requires 600 tons of maize is sourced from farmers in the Alice area. Every year Amandlelo takes between 10 and 15 black interns. Some of them are sent to Fort Hare Dairy Trust. Farmers are rewarded with cattle as they pass through different stages. This will enable them to start their own full time dairy farming (Pretoria News, 17 June 2009).

3.2. Training Programmes

- Agri SETA accredited farm worker training.
- Agri SETA accredited emerging farmer training.
- Workers training funded by MILK SA.
- Training of Extension officers of Department of Agriculture in North West Province and Free State.

3.3. Magazines

Ubisi Mail and Dairy Mail are distributed free of charge to emerging farmers.

4. BARRIERS TO THE LEVEL OF PARTICIPATION BY THE EMERGING SECTOR

- The low profitability of milk production is the major barrier to entry for the emerging farmers.
- Access to credit facilities and financial package specially structured to their needs also plays a role.
- The volatility of the market and the effect of imports in depressing producer prices make it difficult for the emerging farmers to enter the industry.
- The dynamics of pricing in the dairy industry as well as the shelf life of the products is such that the farmers are squeezed to accept whatever price that the producers/processors offer them to dispose of their products.
- The market is dominated by 4 major processors in the milk industry making it extremely difficult for the emerging farmers to make inroads in the dairy processing industry.
- They lack the necessary capital to invest in dairy equipment. The volume of milk produced may not be sufficient to invest in capital equipment. To form a cooperative would assist in increasing the volume through the collection of milk from several small farms. However, the infrastructure, the underdeveloped roads, and the great distances between farms could be inhibiting factors to go this route.

- Smaller processors tend to pay higher raw milk prices than the larger processors during periods of seasonal milk shortages because they lack the bargaining power that the larger processors have. During periods of surpluses, the large producers dump their products in the retail sector at very low prices making it difficult for the small processors to compete.
- The big players in the market have facilities to convert raw milk into milk powder, butter, cheese or long-life milk, which can be stored for longer periods of time. This facility is capital intensive and for the volumes of raw milk produced by the emerging farmers, it is not really worth it in the long term.
- The farmers/producers lack the expertise, equipment to pasteurize milk. Transport and the quantity are major deterrents for small farmers to get their products to the big processors. The big processors/buyers find it not worth the effort to access these farmers due to the road infrastructure and small inconsistent and small volumes of milk produced.

5. OPPORTUNITIES AND WEAKNESSES

Success in the dairy market depends on two factors namely: quality products and the support of processors. Successful advertising, exports and the development of new products are also important.

Some consumers like to buy fresh milk direct from producers because the origin of the milk is known. A strong relationship can be built between producer/s and consumers.

Producers can sell direct to small cafes and street vendors shortening the value chain cutting out some transaction costs resulting in an increase in profits. This channel will require higher capital and involves more risks. A sound relationship needs to be in place between the sellers and the buyers.

Since deregulation, the number of smaller milk producers has increased dramatically and processors are willing to receive milk from the smaller producers. However, this supply channel will require high-level control measures on hygiene and the producer has to comply with the required standards.

High demand of value-added products such as sour milk, yoghurt and cheese can be a market to be explored. However, to go this route would require high investment, market knowledge and the necessary training.

Packaging to promote brand identification can open an opportunity but this would require market research and knowledge, training and investment.

6. MARKET INTELLIGENCE

6.1. Export Tariffs

Tariffs that different importing countries applied to milk and dairy products originating from South Africa in 2019 and 2020 are shown in Tables 1 to 6 below.

Table 1: Milk and cream (neither concentrated nor sweetened)

Country	Product Code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Botswana; Lesotho; Eswatini & Namibia	04011007; 04011009; 04011090;	Intra SACU rate	0%	0%	0%	0%
Mozambique	04011000; 04012090	Preferential tariff for SADC countries	0%	0%	0%	0%
Zimbabwe	04011000: 04012000; 04013000	Preferential tariff for South Africa	0%	0%	0%	0%

Source: Market Access Map

Botswana, Lesotho, Eswatini and Namibia charged the importation of milk and cream (not concentrated or sweetened) from South Africa a duty free Intra SACU rate during 2019 and 2020. Mozambique applied the 0% tariff using the preferential tariff for SADC countries in 2019 and 2020. On the same period, Zimbabwe provided South Africa with 0% preferential tariff.

Table 2: Milk and cream (concentrated or sweetened)

Country	Product code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Mozambique	04021010, 04022110	Preferential tariff for South Africa	0%	0%	0%	0%
	04021090, 04029100, 04029910, 04022900	Preferential tariff for South Africa	0%	0%	0%	0%
	04022120	Preferential tariff for South Africa	0%	0%	0%	0%
Zambia	04021010 04022100	MFN duties	0%	0%	0%	0%

Country	Product code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
	04022900	Preferential tariff for South Africa	0%	0%	0%	0%
Botswana; Swaziland; Namibia & Lesotho	04021010 04021090	Intra SACU rate	0%	0%	0%	0%
	04022110 04022190	Intra SACU rate	0%	0%	0%	0%

Source: Market Access Map

Table 2 above shows that Mozambique has applied preferential tariff for SACU rate of 0% for all products presented on the table for period 2019 and 2020. Zambia also applied preferential tariff for South Africa of 0% and MFN duties of 0% during the same period. Botswana, Swaziland, Namibia and Lesotho have applied an Intra SACU rate of 0% for the mentioned HS codes products in the table above in 2019 and 2020.

Table 3: Buttermilk, curdle milk and cream

Country	Product Code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Angola	04031000 & 04039000	MFN duties	20%	20%	20%	20%
Mozambique	04031000	Preferential tariff for SADC	0%	0%	0%	0%
	04039000	Preferential tariff for SADC	0%	0%	0%	0%
Botswana; Lesotho; Namibia & Eswatini	04031000; 04039010; 04039020 & 04039030	Intra SACU rate	0%	0%	0%	0%

Source: Market Access Map

South African exports of buttermilk, curdle milk and cream to Angola received 20% MFN duties rate during 2019 and 2020 respectively. Mozambique has charged South Africa 0% tariff rate applying a preferential tariff for SADC countries in 2019 and 2020. Botswana, Lesotho, Namibia and Eswatini applied the Intra SACU rate of 0% for buttermilk, curdled milk, curdle milk and cream originating from South Africa in 2019 and 2020.

Table 4: Whey and natural milk products

Country	Product code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Mozambique	04041010;	Preferential tariff for (SADC) MFN duties	0%	0%	0%	0%
	04049010		0%	0%	0%	0%
Zimbabwe	04041000 & 04049000	Preferential tariff for (SADC)	0%	0%	0%	0%
Zambia	04041000 & 04049000	Preferential tariff for SA	0%	0%	0%	0%
Eswatini; Namibia; Botswana & Lesotho	04041000; 04049010 & 04049090	Intra SACU rate	0%	0%	0%	0%

Source: Market Access Map

Mozambique charged South Africa 0% tariff using the preferential tariff for SADC countries trade regime. Zimbabwe imported whey from South Africa charging 0% using preferential tariff for SADC countries in 2019 and 2020. Zambia applied a preferential tariff for South Africa of 0% in 2019 and 2020. Eswatini, Namibia, Botswana and Lesotho have applied an Intra SACU rate of 0% for whey and natural milk product originating from South Africa in 2019 and 2020.

Table 5: Butter and other fats and oils derived from milk

Country	Product code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Namibia, Botswana, Eswatini and Lesotho	04051000, 04052000, 04059000	Intra SACU rate	0%	0%	0%	0%
Mozambique	04051000, 04052000, 04059090	Preferential tariff for SADC countries	0%	0%	0%	0%
	04059010	Preferential tariff for SA	0%	0%	0%	0%
Mauritius	04051000, 04052000 & 04059000	MFN duties (Applied)	0%	0%	0%	0%
Zambia	04051000, 04052000 & 04059000	Preferential tariff for SA	0%	0%	0%	0%

Source: Market Access Map

Namibia, Lesotho, Eswatini and Botswana apply Intra SACU rate of 0% in 2019 and 2020 for butter and other fats and oils derived from milk originating from South Africa. During the same period, Mozambique has charged South Africa a 0% preferential tariff of the selected product in Table 5 above. Mauritius also charged South Africa 0% MFN duties on butter and other fats and oils derived from milk exported to them in 2019 and 2020. Zambia with applied preferential tariff for SA of 0% during 2019 and 2020.

Table 6: Cheese and curd

Country	Product code	Trade Regime Description	2019		2020	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
Namibia, Eswatini & Botswana	04061000; 04062000; 04063000; 04064000 & 04069000	Intra SACU rate	0%	0%	0%	0%
Mozambique	04061000; 04062000; 04063000& 04064000	Preferential tariff for SA	0%	0%	0%	0%
Zambia	04061000; 04062000; 04063000; 04064000 & 04069000	Preferential tariff for SA	0%	0%	0%	0%
Zimbabwe	04061000; 04062000; 04063000; 04064000 & 04069000	Preferential tariff for SA	0%	0%	0%	0%

Source: Market Access Map

Namibia, Botswana and Eswatini applied an Intra SACU rate of 0% for cheese and curd originating from South Africa in 2019 and 2020. Mozambique applied a preferential tariff of 0% in 2019 and 2020 to South Africa. Zambia applied a preferential tariff of 0% to South African cheese and curd during 2019 and 2020. Zimbabwe charged South African 0% MFN duties for the exports of cheese and curd during 2019 and 2020.

6.2. Import tariffs

Tables 7 to 12 below present the tariff structure applied by South Africa to imports of milk and dairy products originating from presented trade agreements in 2020.

Table 7: Milk and cream, neither concentrated nor sweetened

			Rate of Duty				
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
04.01	**Milk and cream, not concentrated nor containing added sugar or other sweetening matter:**						
0401.10	**Of a fat content, by mass, not exceeding 1 per cent:**						
0401.10.07	Ultra high temperature (UHT) or "long life" milk in containers holding 1 li or less, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.10.09	Other milk, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.10.90	Other	Kg	free	free	free	free	free
0401.20	**Of a fat content, by mass, exceeding 1 per cent but not exceeding 6 per cent:**						
0401.20.07	Ultra high temperature (UHT) or "long life" milk in containers holding 1 li or less, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do	Kg	free	free	free	free	free

	not exceed 1 per cent by volume of the final product						
0401.20.09	Other milk, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.20.90	Other	Kg	free	free	free	free	free
0401.40	**Of a fat content, by weight exceeding 6 per cent but not exceeding 10 per cent:**						
0401.40.07	Ultra high temperature (UHT) or "long life" milk in containers holding 1 li or less, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.40.09	Other milk, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.40.90	Other	Kg	free	free	free	free	free
0401.50	**Of a fat content by weight, exceeding 10 per cent:**						

0401.50.07	Ultra high temperature (UHT) or "long life" milk in containers holding 1 li or less, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.50.09	Other milk, whether or not containing added minerals, vitamins, enzymes and similar additives solely for the purpose of increasing the nutritional value and provided these additives do not exceed 1 per cent by volume of the final product	Kg	free	free	free	free	free
0401.50.90	Other	Kg	free	free	free	free	free

Source: SARS

Table 7 above indicates the sub products of milk and cream, not concentrated nor containing added sugar or other sweetening matter, and their rates of duty applied by South Africa. It is clear from the table that, within the presented trade agreements (EU, EFTA, SADC and MERCOSUR) and all other countries bringing the said products into South Africa, imports enter South Africa free of charge. In this case, there is no quota allocated for these products.

Table 8: Milk and cream, concentrated or sweetened

			Rate of Duty				
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
04.02	**Milk and cream, concentrated or containing added sugar or other sweetening matter:**						
0402.10	**In powder, granules or other solid forms, of a fat content, by mass, not exceeding 1,5 per cent:**						
0402.10.10	Not flavoured and not containing added sugar or other sweetening matter	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%

0402.10.90	Other	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.2	**In powder, granules or other solid forms, of a fat content, by mass, exceeding 1,5 per cent:**						
0402.21	**Not containing added sugar or other sweetening matter:**						
0402.10.10	Not flavoured	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.10.90	Other	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.29	Other	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.9	**Other:**						
0402.91	Not containing added sugar or other sweetening matter	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.99	**Other:**						
0402.99.10	In aerosol containers	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0402.99.90	Other	Kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%

Source: SARS

Table 8 above indicate the tariff duties applied to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of milk and cream, concentrated or containing added sugar or other sweetening matter. South Africa applied tariff of R4.50c/kg with a maximum of 96% to trade agreements (EU, EFTA, MERCOSUR and General member of WTO) and duty free for SADC members. The total annual quota allocated for these products is 4 470 tons for a rebate of 19.2%.

Table 9: Buttermilk, cream, yoghurt, etc.

			Rate of Duty				
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
04.03	**Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:**						
0403.10	Yoghurt	kg	free	free	free	free	free
0403.90	**Other:**						
0403.90.10	Flavoured or containing fruits, nuts or cocoa	kg	450c/kg with a maximum of 96%	free	free	free	450c/kg with a maximum of 96%
0403.90.20	Cultured milk, not concentrated or containing any sugar or other sweetening matter, unflavoured and not containing any fruits, nuts or cocoa (excluding buttermilk)	kg	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0403.90.90	Other:	kg	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%

Source: SARS

Table 9 above indicate the tariff duties applied to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa. South Africa applied duty free for all countries on HS product 0403.10. On HS product 0403.90.10, the EU, EFTA and SADC received a duty free and MERCOSUR and General Members received R4.50c/kg with a maximum of 96%. Lastly, for HS products HS 0403.90.20 and HS 0403.90.90, EFTA, MERCOSUR and General Members received a rate of duty of R4.50c/kg with a maximum of 96% and EU and SADC received duty free. The total annual quota allocated for these products is 213 tons with a rebate of 19.2%.

Table 10: Whey and other natural milk products

		Rate of Duty					
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
04.04	**Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included:**						
0404.10	Whey and modified Whey, whether or not concentrated or containing added sugar or other sweetening matter	kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0404.90	**Other**						
0404.90.10	Dairy powder blends, containing at least 30% (m/m) milk protein calculated on a fat-free basis	kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%
0404.90.90	Other	kg	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	450c/kg with a maximum of 96%	free	450c/kg with a maximum of 96%

Source: SARS

The tariff duties applied to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included are presented in Table 10 above. South Africa applied tariff of R4.50c/kg with a maximum of 96% to trade agreements (EU, EFTA, MERCOSUR and General members) and free trade for SADC members. The total annual quota allocated for these products is 2 786 tons with a rebate of 19.2%.

Table 11: Butter and other fats and oils derived from milk

			Rate of Duty				
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
0405	**Butter and other fats and oils derived from milk; dairy spreads:**						
0405.10.10	In immediate packaging of a content of 20 kg or more	kg	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	free	500c/kg with a maximum of 79%
0405.10.90	Other	kg	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	free	500c/kg with a maximum of 79%
0405.20	Dairy spreads	kg	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	free	500c/kg with a maximum of 79%
0405.90	Other	kg	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	free	500c/kg with a maximum of 79%

Source: SARS

The tariff duties applied to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of Butter and other fats and oils derived from milk; dairy spreads are presented on table 11 above. South Africa applied tariff of R5/kg with a maximum of 79% to trade agreements (EU, EFTA, MERCOSUR and General member) and duty free for SADC members. The total annual quota allocated for these products is 1 167 tons for a rebate of 15.8%.

Table 12: Cheese and curd

			Rate of Duty				
	Article Description	**Statistical unit**	**General**	**EU**	**EFTA**	**SADC**	**MERCOSUR**
04.06	**Cheese and curd:**						
0406.10	Fresh (unripened or uncured) cheese, including whey cheese, and curd	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.20	Grated or powdered cheese, of all kinds	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.30	Processed cheese, not grated or powdered	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.40	Blue-veined cheese and other cheese containing veins produced by PENICILLIUM ROQUEFORTI	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.90	**Other cheese:**						
0406.90.1	**Cheddar**						
0406.90.11	Imported from Switzerland	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.90.12	Other	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.90.2	**Gouda**						
0406.90.21	Imported from Switzerland	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%

0406.90.22	Other	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.90.9	**Other**						
0406.90.91	Imported from Switzerland	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%
0406.90.99	Other	Kg	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	500c/kg with a maximum of 95%	free	500c/kg with a maximum of 95%

Source: SARS

The tariff duties applied to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of Cheese and curd are presented in Table 12 above. South Africa applied tariff of R5/kg with a maximum of 95% to trade agreements (EU, EFTA, MERCOSUR and General member) and duty free for SADC members. The total annual quota allocated for these cheese and curd (excluding cheddar and Gouda cheese) is 1 989 tons for a rebate of 19%.

7. COMPETITIVENESS OF THE DAIRY INDUSTRY

7.1. Exports

7.1.1. Milk and cream (neither concentrated nor sweetened)

Table 13: List of importing markets for the product exported by South Africa in 2020

South Africa's exports represent **0.6%** of world exports for milk and cream, (not concentrated or sweetened), its ranking in world's exports is **29**.

Importers	Indicators														
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	51381	47812	100	87881	Tons	585	0	2	-1		100	3			
Mozambique	10454	10454	20.3	14697	Tons	711	9	10	-8	70	0.1	5	986	0.91	0
Botswana	9351	9351	18.2	26930	Tons	347	-7	-1	4	48	0.3	1	523	0.95	0
Lesotho	9064	9039	17.6	11581	Tons	783	-4	-3	-23	62	0.1	1	369	1	0
Namibia	9019	9019	17.6	13785	Tons	654	9	13	20	66	0.1	6	1371	0.98	0
Eswatini	7998	7998	15.6	14259	Tons	561	7	5	1	72	0.1	9	795	0.92	0
Area Nes	2055	2015	4	1641	Tons	1252	324	384							
Zambia	748	748	1.5	1189	Tons	629	33	64	-17	156	0.01	39	1616	0.99	0
Malawi	631	631	1.2	643	Tons	981	0	-6	-7	158	0.01	0	1663	0.89	0
Tanzania	626	626	1.2	997	Tons	628	-29	-29	-40	165	0	-38	2776	0.95	0
Mauritius	492	492	1	798	Tons	617	-9	-10	-57	80	0.08	10	8989	0.17	0
Angola	394	394	0.8	650	Tons	606	-22	-23	470	61	0.1	-16	6029	0.57	0

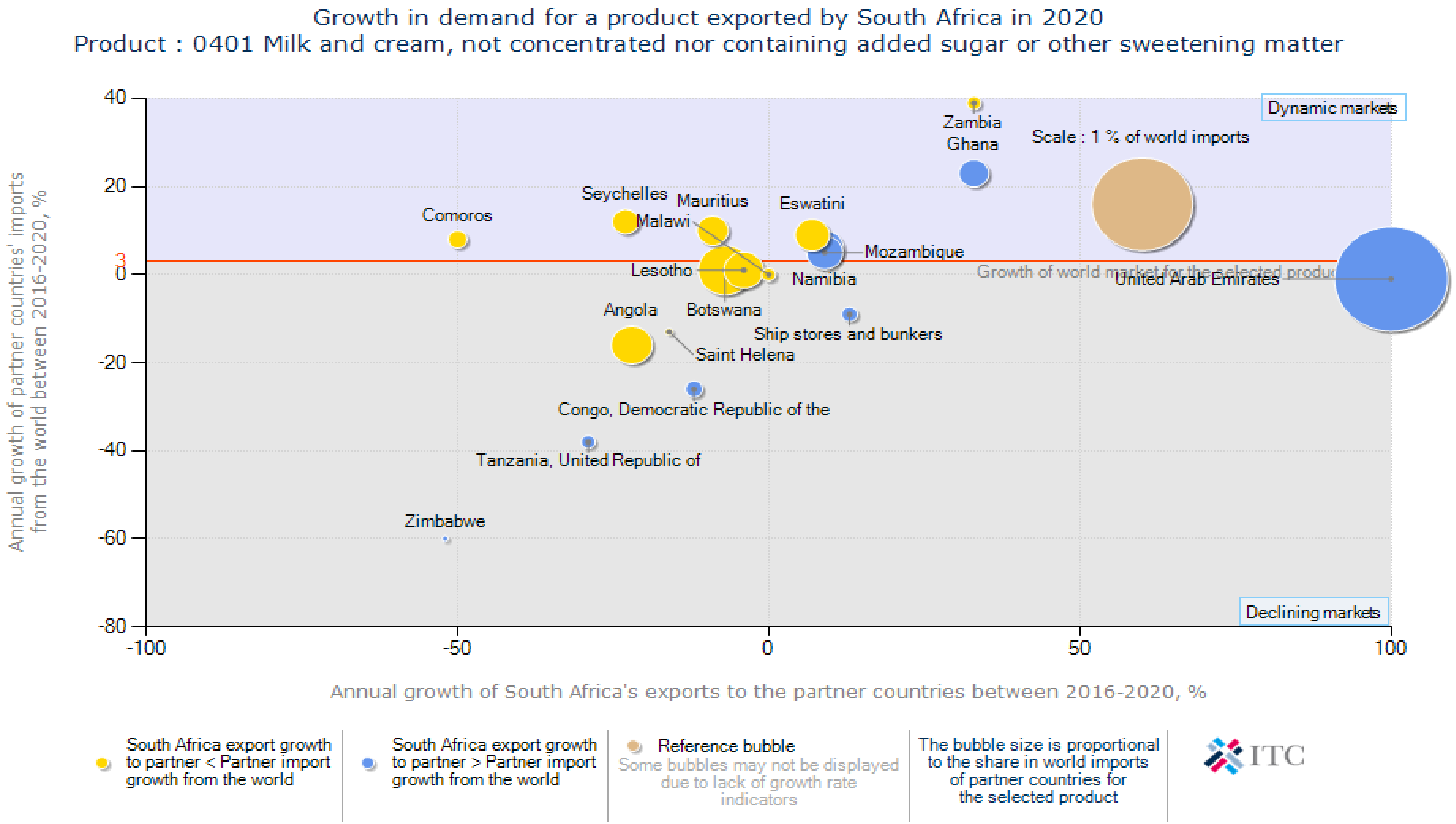
Source: ITC Trademap

Table 13 shows that during 2020, South Africa exported a total of 87 881 tons of milk and cream (not concentrated or sweetened) at an average value of US$585/unit. South Africa exported greater quantities of milk and cream (not concentrated or sweetened) to Mozambique, Botswana and Lesotho. The greatest share of South African milk and cream (not concentrated or sweetened) exports were destined to Mozambique with a market share of 20.3% share during the year 2020 followed by Botswana with 18.2% and Lesotho at 17.6%.

South Africa's milk and cream (not concentrated or sweetened) exports did not change (0%) in value and increased by 2% in quantity between the periods 2016 and 2020. During the same period, exports of milk and cream (not concentrated or sweetened) to Mozambique increased by 9% in value and quantity increased by 10% and Botswana decreased by 7% in value and 1% in quantity.

Between the periods 2019 and 2020 South Africa's exports of milk and cream (not concentrated or sweetened) decreased by 1% in value. During the same period, Mozambique decreased by 8% while Botswana increased by 4% in value.

Figure 26: Growth in demand for milk and cream exports by South Africa in 2020



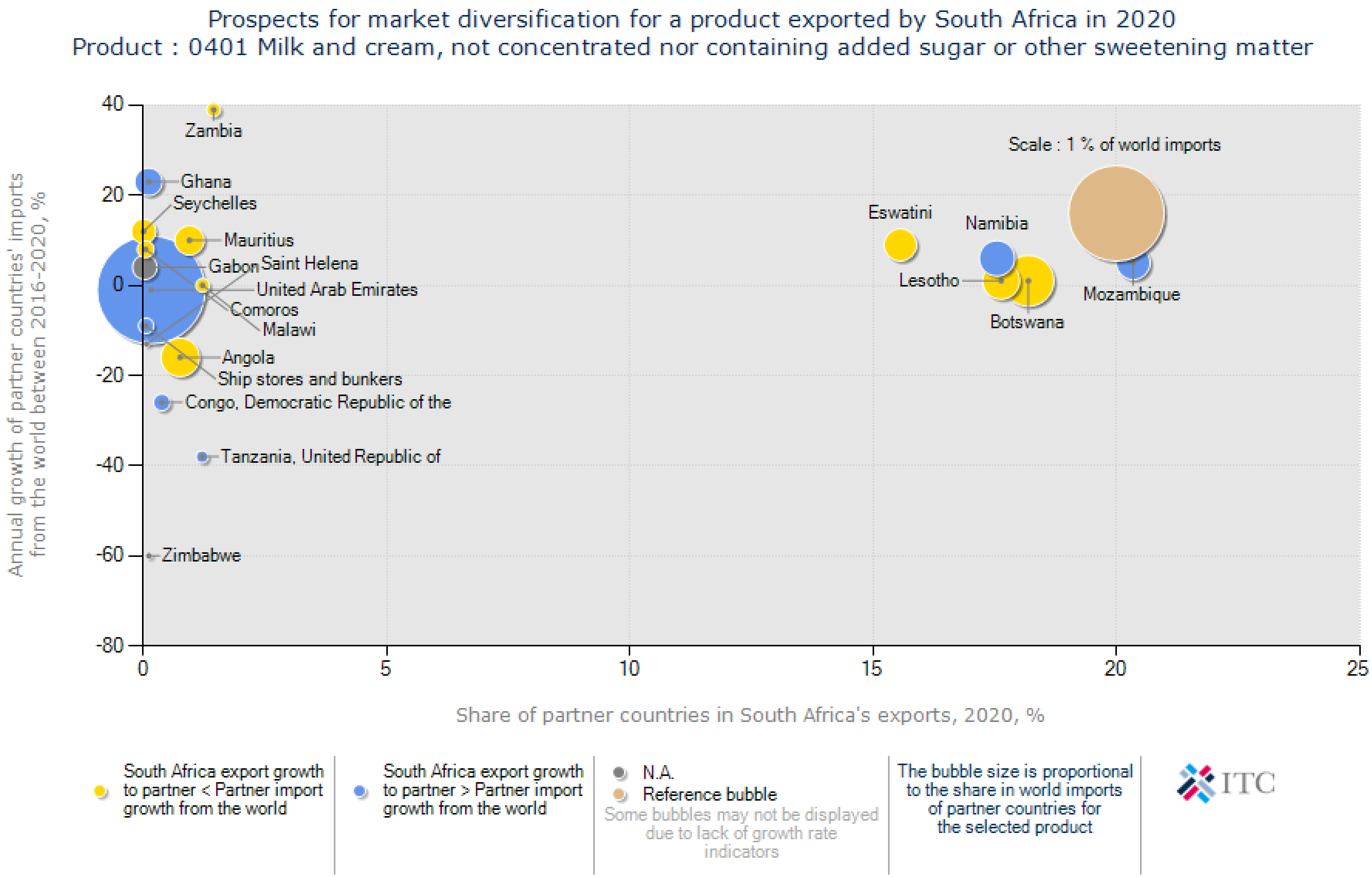
Source: ITC Trademap

Figure 26 illustrates South Africa's exports of milk and cream (not concentrated nor sweetened) in 2020. Between 2016 and 2020 South Africa's milk and cream, not concentrated nor sweetened to Democratic Republic of Congo (DRC), Tanzania, Ghana, Namibia, United Arab Emirates (UAE) and Mozambique were growing at a rate that is greater than their import growth from the world. This means that South Africa is gaining the market in the mentioned countries.

During the same period, South Africa's milk and cream (not concentrated or sweetened) exports to Botswana, Lesotho, Mauritius, Eswatini, Comoros, Malawi, Zambia, Angola and Seychelles were growing at a rate that is less than their imports from the rest of the world. Therefore, South Africa is losing the market share in those countries. Zimbabwe represent loss in the declining market.

Zambia experienced the highest annual growth (33%) in demand of milk and cream not concentrated nor sweetened imports during the periods 2016 to 2020.

Figure 27: Prospects for market diversification for milk and cream exported by South Africa in 2020



Source: ITC Trademap

South Africa is currently exporting large quantities of milk and cream, not concentrated nor sweetened to Mozambique and Botswana with a market share of 20.35% and 18.2% of South Africa's exports (see Figure 27). Zambia appears to be a growing market and South African exports of milk and cream (not concentrated or sweetened) to Zambia is less than that of the world. South Africa may focus on increasing Zambian market, as the annual growth imports is high at 39%.

7.1.2. Milk and cream, concentrated or sweetened

Table 14: List of importing markets for the product exported by South Africa in 2020

South Africa's exports represent **0.3%** of world exports for milk and cream (concentrated or sweetened), its ranking in world exports is **33.**

Importers	Indicators														
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	56393	633	100	54480	Tons	1035	1	5	-7		100	6			
Botswana	17413	17403	30.9	39425	Tons	442	5	8	-13	129	0.03	-7	545	0.99	0
Mozambique	7040	7040	12.5	2683	Tons	2624	5	2	-13	135	0.03	-15	3043	0.51	0
Namibia	5264	5264	9.3	3382	Tons	1556	-11	-6	-26	124	0.04	0	3437	0.54	0
Zambia	4926	4926	8.7	1557	Tons	3164	16	10	20	121	0.04	-12	5459	0.24	0
Eswatini	4736	4730	8.4	1808	Tons	2619	2	-9	-3	161	0.02	-1	1023	0.88	0
Lesotho	4165	4165	7.4	1554	Tons	2680	4	8	2	163	0.02	1	369	1	0
Zimbabwe	4011	4011	7.1	1347	Tons	2978	-4	-5	97	120	0.04	9	5423	0.29	17.9
Tanzania	2821	2821	5	364	Tons	7750	24	4	110	154	0.02	10	2296	0.36	0
DRC	1367	1367	2.4	305	Tons	4482	8	5	-8	107	0.07	-19	7447	0.27	5
Angola	1136	1136	2	665	Tons	1708	-10	13	-74	66	0.2	-7	7704	0.18	0

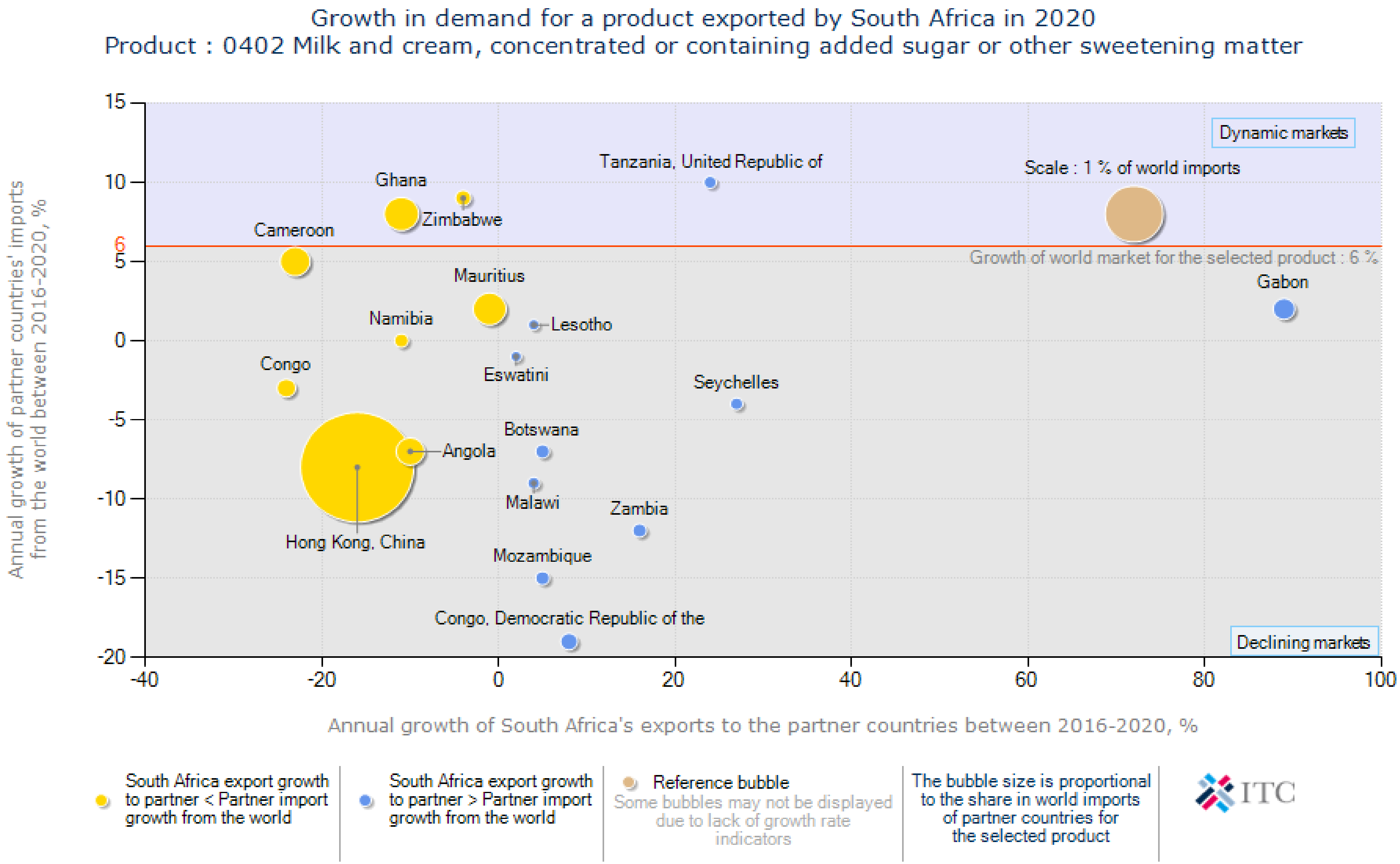
Source: Trade Map

Table 14 shows that during 2020 South Africa exported 54 480 tons of milk and cream (concentrated or sweetened) at an average value of US$ 1 035/unit. South Africa exported greater quantities of milk and cream (concentrated or sweetened) to Botswana, Mozambique and Namibia. The greatest share of South African milk and cream (concentrated or sweetened) exports were destined to Botswana which commanded 30.9% share during the year 2020 followed by Mozambique with 12.5% then Namibia with 9.3%.

South Africa's milk and cream (concentrated or sweetened) exports increased by 1% in quantity and 5% in value between the periods 2016 and 2020. During the same period, exports of milk and cream (concentrated or sweetened) to Botswana increased by 5% in value and 8% in quantity and while Mozambique increased by 5% in value and 2% in quantity.

Between the periods 2019 and 2020, South Africa's exports of milk and cream (concentrated or sweetened) decreased by 7% in value. During the same period, Botswana decrease of 13% and Mozambique decreased by 13% respectively.

Figure 28: Growth in demand for sweetened milk and cream exported by South Africa in 2020



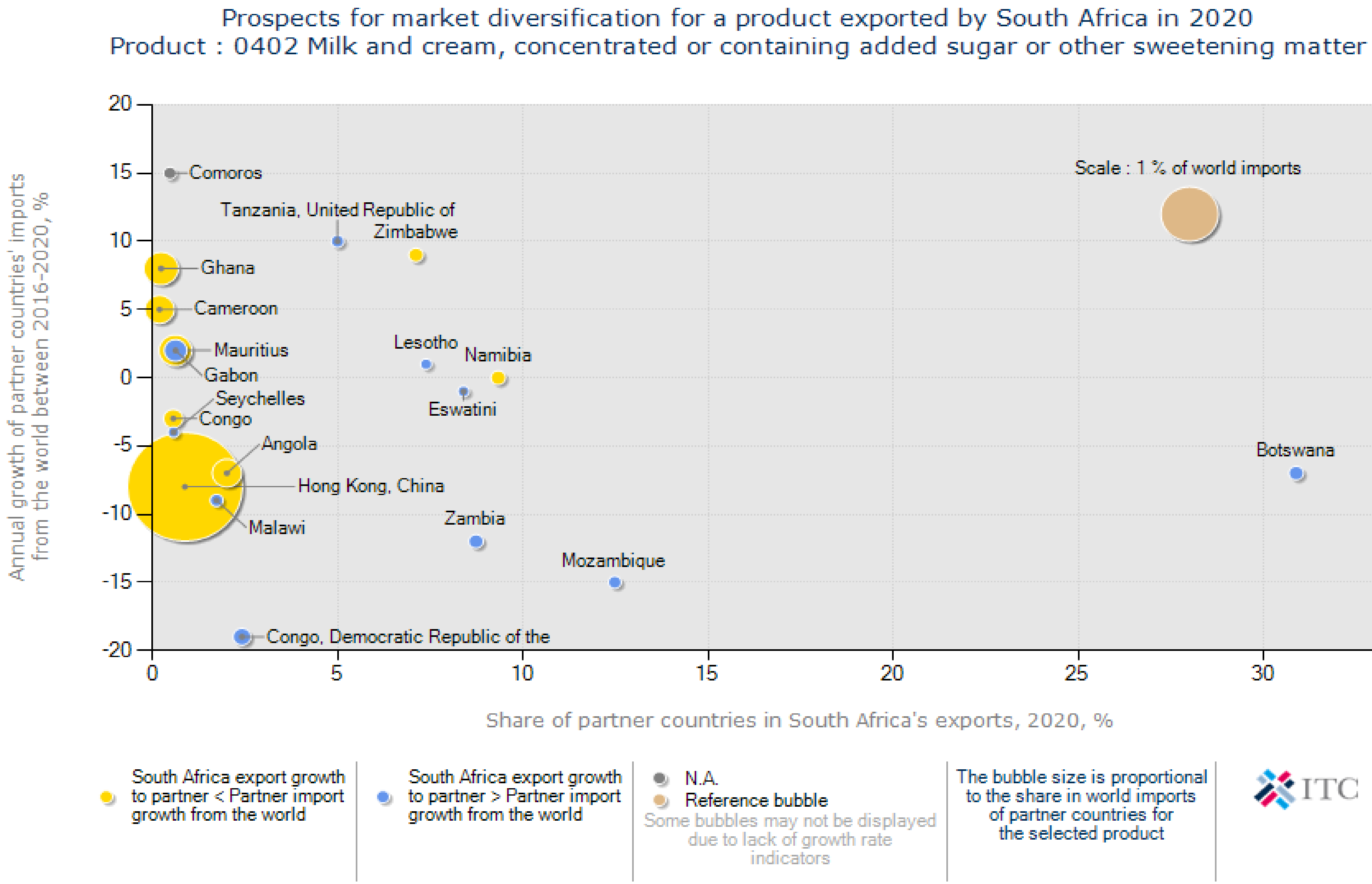
Source: ITC Trademap

Figure 28 illustrates that South Africa's exports of milk and cream (concentrated or sweetened) represent 0.3% of world exports. Between 2016 and 2020, South Africa's milk and cream (concentrated or sweetened) exports to China, HK, Ghana, Cameroon, Congo, Angola, Zimbabwe and Mauritius were growing at a rate that is less than their imports growth from the world.

During the same periods, South Africa was gaining the market shares of milk and cream (concentrated or sweetened) exports to Gabon, Tanzania, Seychelles, Mauritius, DRC, Malawi, Botswana and Eswatini because imports from South Africa were growing at a rate that is greater than their imports from the rest of the world.

Countries which have the most annual growth of imports of Milk and Cream (Concentrated and sweetened) from the world are Tanzania and Zimbabwe with the annual imports growth of 10% and 9% respectively.

Figure 29: Prospects for market diversification for sweetened milk and cream exported by South Africa in 2020



Source: ITC Trademap

Most of South African milk and cream (concentrated and sweetened) were destined to Botswana. However, this country imported more from South Africa than the rest of the world (see Figure 29). Comoros appears to be a potential market because the high annual import growth of 15% and currently South Africa does not export milk and cream (concentrated and sweetened) to this country. Therefore, Comoros import market may be targeted for expansion.

7.1.3. Buttermilk and yoghurt

Table 15: List of importing markets for Buttermilk and yoghurt exported by South Africa in 2020

South Africa's exports represent **0.8%** of world exports for Buttermilk and yoghurt, its ranking in world exports is **26**.

Importers	Indicators														
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	36098	26086	100	36117	Tons	999	-5	2	-16		100	3			
Botswana	12081	12081	33.5	12685	Tons	952	2	3	-10	53	0.3	6	523	0.98	0
Mozambique	6896	6896	19.1	6022	Tons	1145	-1	-2	-20	59	0.2	12	1259	0.47	0
Eswatini	5549	5549	15.4	7428	Tons	747	14	22	5	80	0.1	13	428	1	0
Namibia	4385	4385	12.1	4234	Tons	1036	-1	0	-15	84	0.1	-3	1326	1	0
Lesotho	1623	1590	4.5	1719	Tons	944	-11	-7	-50	103	0.06	4	369	1	0
Area Nes	1287	1287	3.6	719	Tons	1790	597		4020						
Angola	1247	1247	3.5	1029	Tons	1212	-41	-22	-66	75	0.1	-30	5305	0.6	10
Malawi	1002	1002	2.8	824	Tons	1216	9	10	-11	122	0.03	11	1661	0.87	0
Zambia	564	564	1.6	401	Tons	1406	-8	-20	-42	131	0.02	0	1386	0.62	0
DRC	414	414	1.1	271	Tons	1528	18	19	-3	149	0.01	-25	5263	0.12	10
Zimbabwe	205	205	0.6	203	Tons	1010	-19	-11	-39	205	0	-48	1101	1	14.5

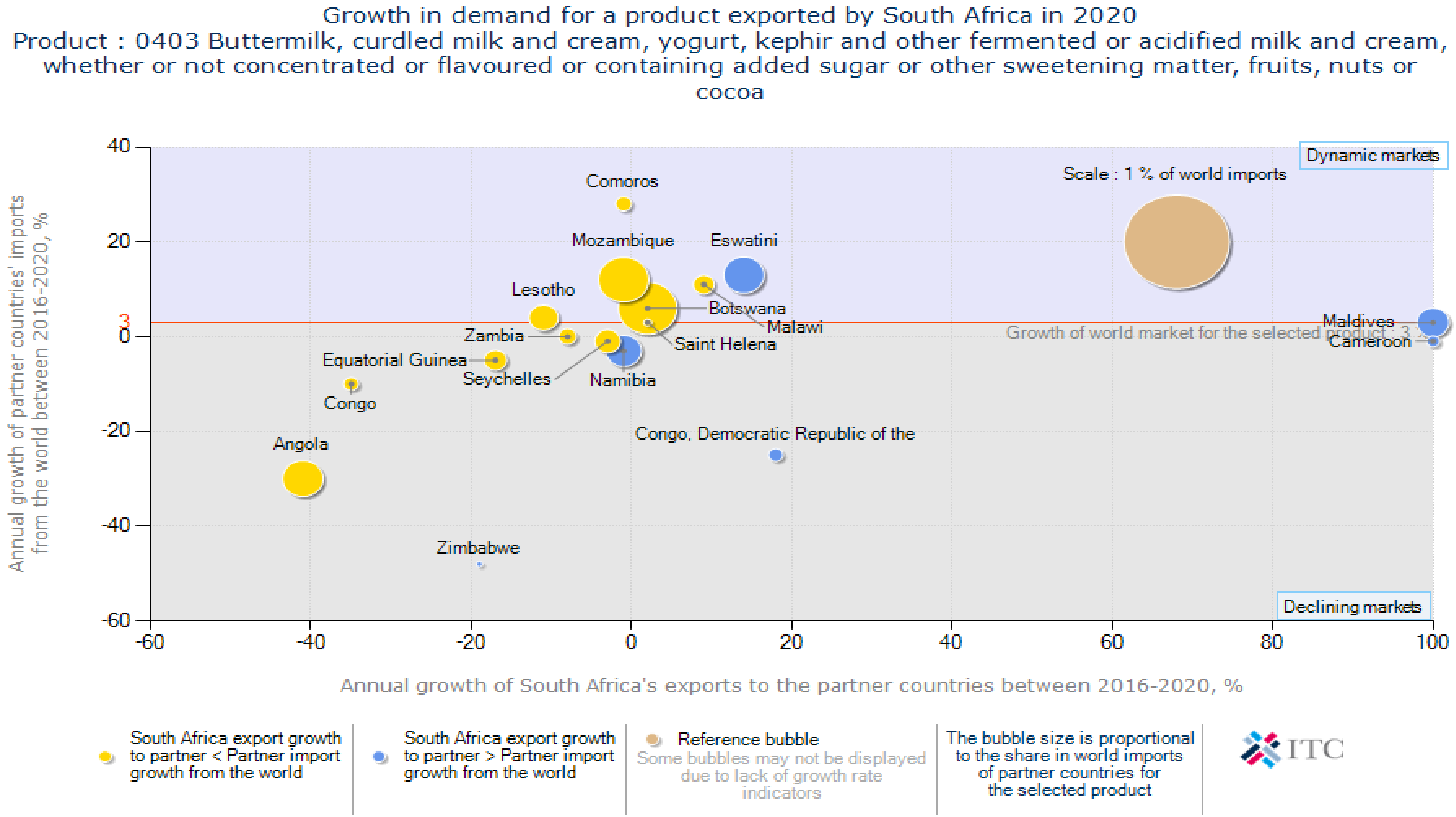
Source: ITC, Trademap.

Table 15 shows that during 2020 South Africa exported a total of 36 117 tons of buttermilk and yoghurt at an average value of US$ 999/unit. South Africa exported greater quantities of buttermilk and yoghurt to Botswana, Mozambique and Eswatini. Botswana accounted for 33.5% share during the year 2020 followed by Mozambique and Eswatini with 19.1% and 15.4% respectively.

South Africa's buttermilk and yoghurt exports decreased by 5% in value and increased by 2% in quantity from 2016 to 2020. During the same period, exports of buttermilk and yoghurt to Botswana increased by 2% in value and 3% in quantity then Mozambique decreased by 1% in value and 2% in quantity.

Between the periods 2019 and 2020, South Africa's exports of buttermilk and yoghurt decreased by 16% in value. During the same period, Botswana decreased by 10% and Mozambique decreased by 20%.

Figure 30: Growth in demand for buttermilk and yogurt exported by South Africa in 2020

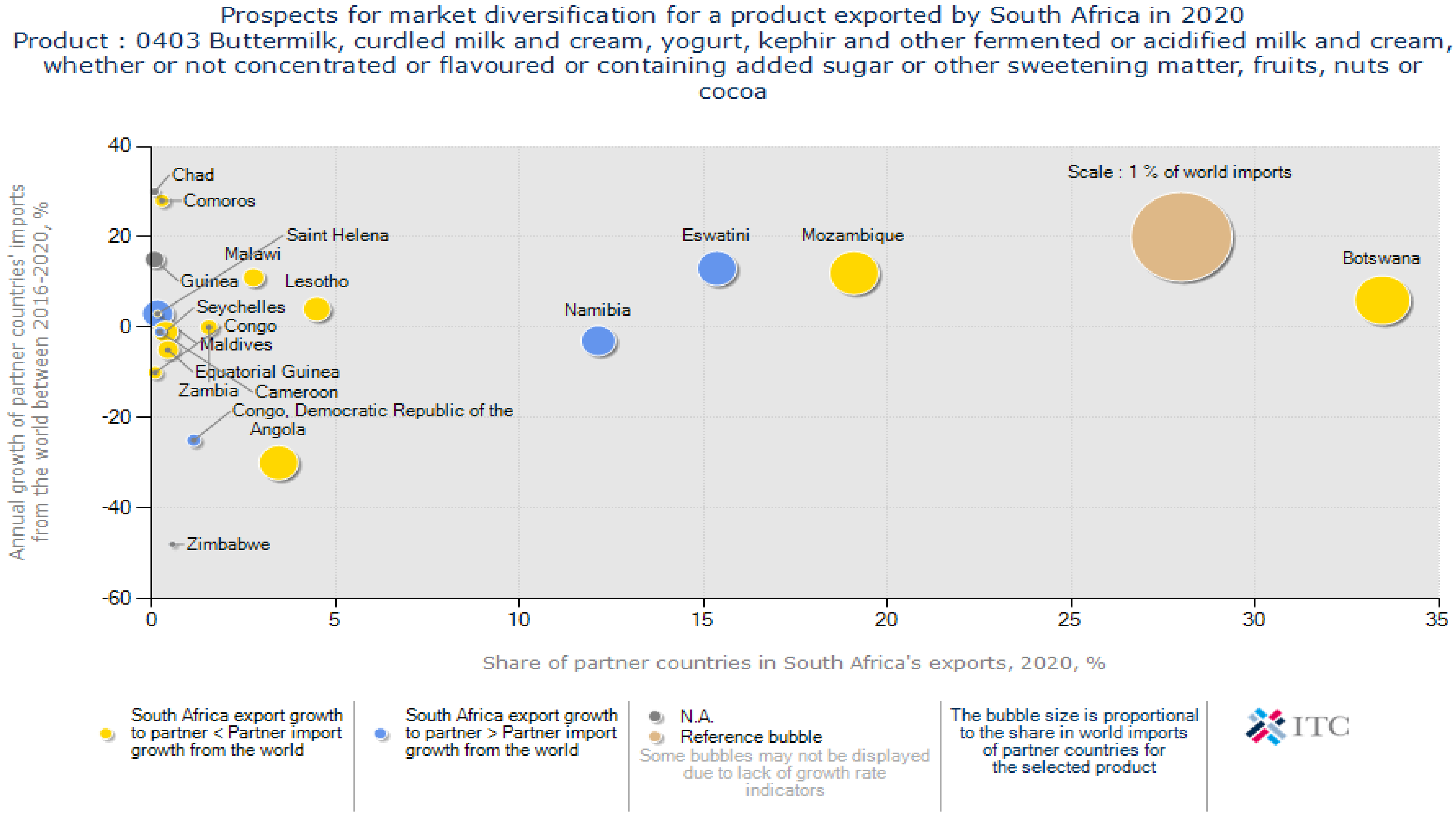


Source: ITC Trademap

Figure 30 illustrates that South Africa's exports of buttermilk and yoghurt represent 0.8% of the world exports in 2020. Between 2016 and 2020, South Africa exports of buttermilk and yoghurt to Mozambique, Comoros, Lesotho, Botswana, Zambia, Malawi, Angola and Seychelles were growing at a rate that is less than their import growth from the rest of the world.

During the same periods, South Africa's buttermilk and yoghurt exports to Cameroon, Eswatini, Namibia, DRC and Maldives were growing at a rate that is greater than their imports from the rest of the world. Therefore, South Africa is gaining the market share in these countries. The fastest growing market of South African buttermilk and Yogurt exist in Comoros with the annual growth of world imports of 28%.

Figure 31: Prospects for market diversification for buttermilk and yogurt exported by South Africa in 2020



Source: ITC Trademap

South Africa’s exports of buttermilk and yoghurt are dominant in Botswana (see Figure 31). Comoros present to be a potential market for South African buttermilk and yogurt. Comoros’ import growth from South Africa are less than import growth from the world. South Africa may target the market expansion in Comoros; the country has annual import growth of 28%.

7.1.4. Whey and other natural milk products

Table 16: List of importing markets for whey and natural milk exported by South Africa in 2020

South Africa's exports represent **0.1%** of world exports for whey and natural milk and its ranking in world exports is **43**.

Importers	Indicators														
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	3810	-37170	100	5270	Tons	723	-25	0	16		100	5			
Lesotho	1048	1048	27.5	1672	Tons	627	24	58	-3	112	0.01	1	369	1	0
Zambia	690	690	18.1	637	Tons	1083	23	17	5	118	0.01	18	1748	0.93	0
Eswatini	524	524	13.8	1042	Tons	503	108	154	31	131	0	4	5949	0.5	0
Namibia	511	511	13.4	1181	Tons	433	-36	32	-29	152	0	-59	3517	0.57	0
Area Nes	503	503	13.2	288	Tons	1747	263								
Zimbabwe	291	291	7.6	211	Tons	1379	-10	-20	237	115	0.01	-5	8060	0.5	0
Botswana	69	69	1.8	37	Tons	1865	-48	-33	-25	159	0	-41	522	1	0
Mozambique	66	66	1.7	98	Tons	673	48	134	-38	125	0.01	89	6414	0.33	0
Viet Nam	53	53	1.4	75	Tons	707				23	1.3	3	11048	0.16	0.4
Malawi	15	15	0.4	17	Tons	882	16	28	100	150	0	73	4205	0.35	0
Seychelles	15	15	0.4	4	Tons	3750	143		-23	170	0	-55	5955	0.36	0
Qatar	9	9	0.2	1	Tons	9000				108	0.02	-6	6078	0.29	5
Angola	6	6	0.2	2	Tons	3000	42			83	0.04	224	6058	0.56	2

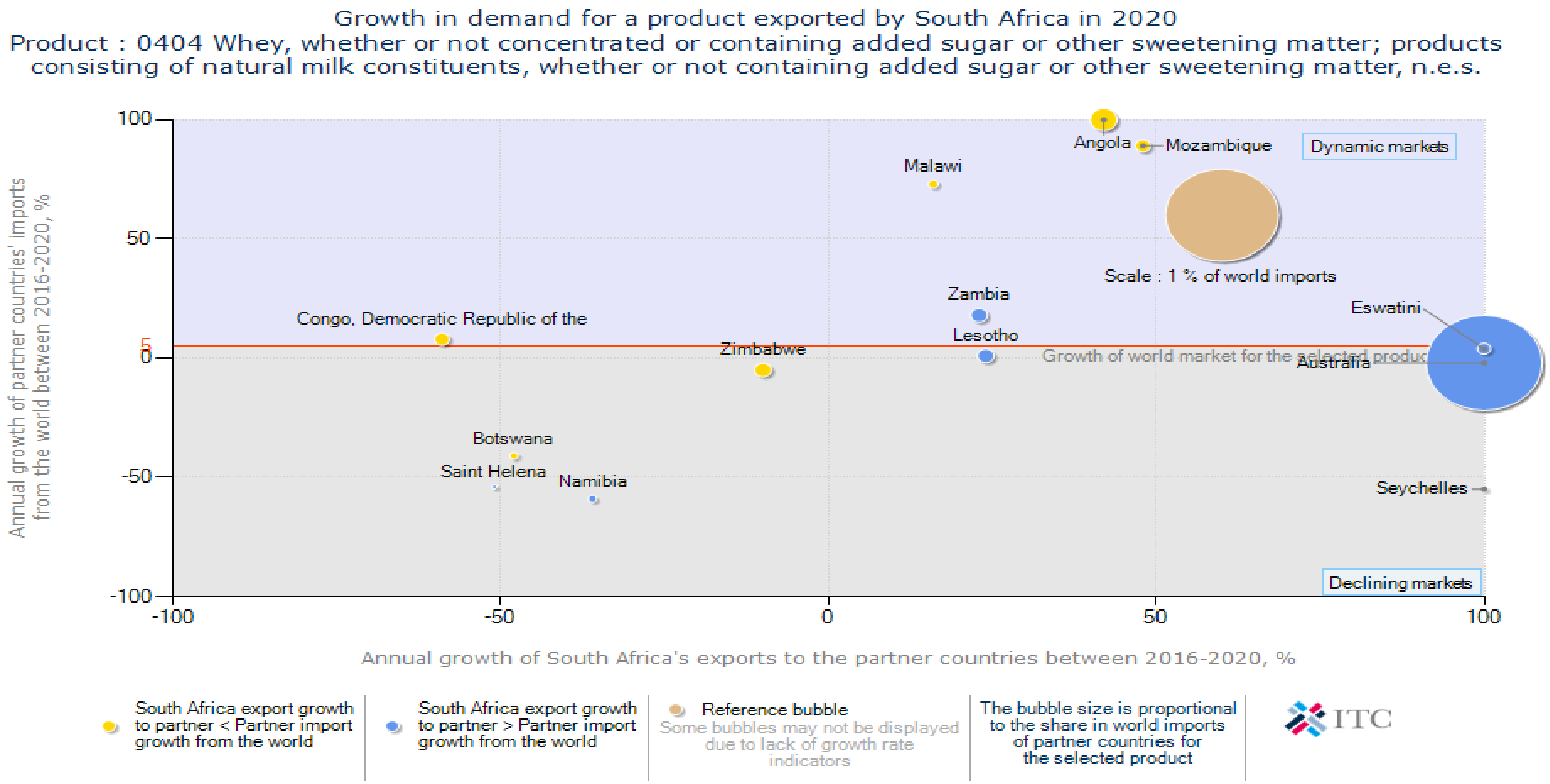
Source: ITC Trademap.

Table 16 shows that during 2020 South Africa exported 5 270 tons of whey and natural milk products at an average value of US$723/unit. South Africa exported greater quantities of whey and natural milk products to Lesotho, Zambia and Eswatini. The greatest share of South African whey and natural milk products exports were destined to Lesotho, which accounted for 27.5% share during the year 2020. Followed by Zambia with 18.1% and Eswatini with 13.8%.

South Africa's whey and natural milk products exports decreased by 25% in value and no growth in quantity between the periods 2016 and 2020 During the same periods, exports of whey and natural milk products to Lesotho increased by 24% in value and 58% in quantity and Zambia increased by 23% in value and 17% in quantity; while Eswatini increased by 108% in value and 154% in quantity.

Between the periods 2019 and 2020, South Africa's exports of whey and natural milk products increased by 16% in value. During the same period, Lesotho decreased by 3% while Zambia increased by 5%.

Figure 32: Growth in demand for whey exported by South Africa in 2020

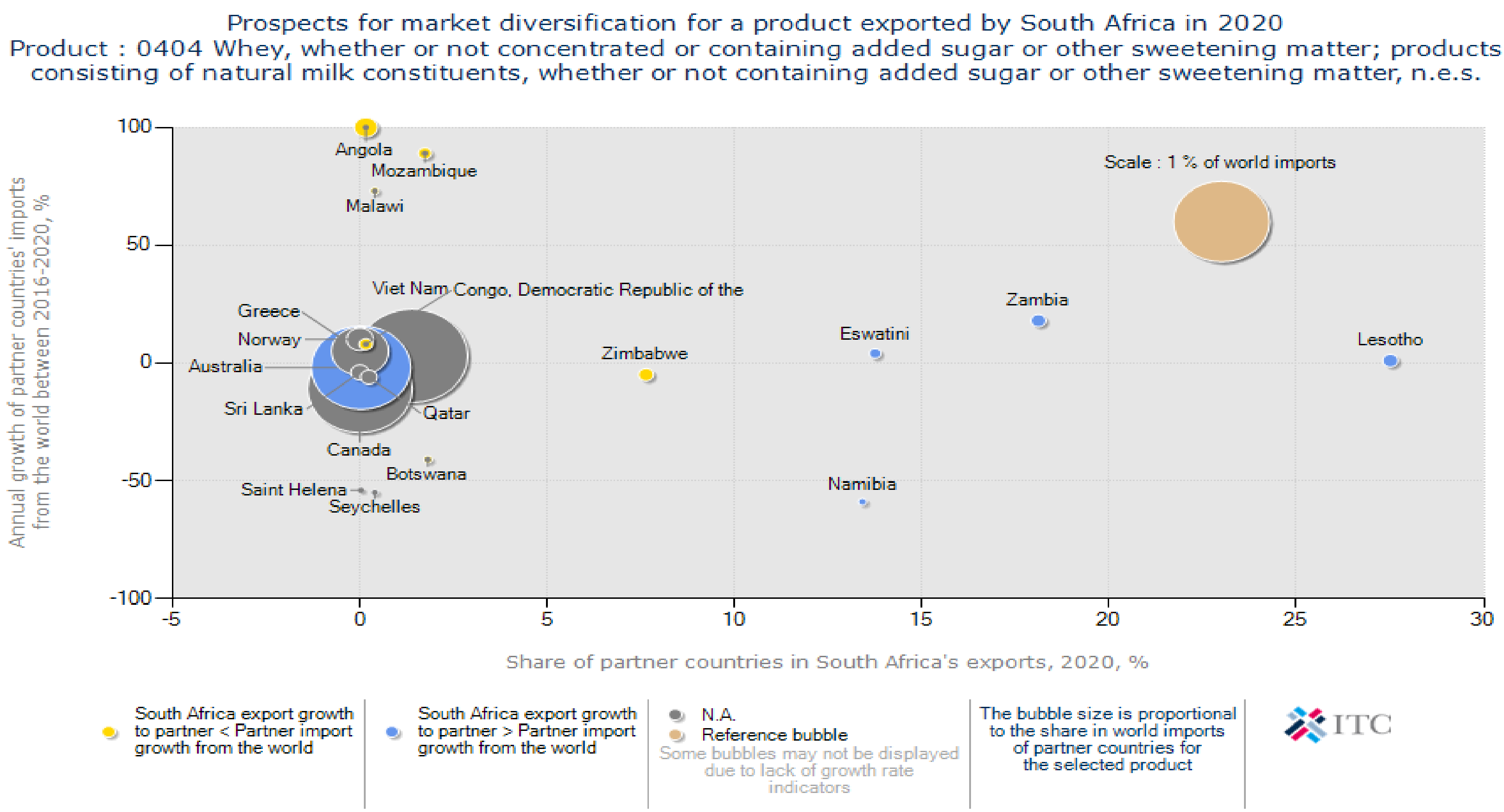


Source: ITC Trademap

Figure 32 illustrates that South Africa's exports of whey and natural milk products represent 0.1% of the world exports. Between 2016 and 2020 South Africa's whey and natural milk products exported to DRC, Botswana, Malawi, Angola, Mozambique and Zimbabwe were growing at a rate that is less than their import growth from the rest of the world.

During the same period, South African whey and natural milk products exports in Lesotho, Eswatini and Zambia were growing at a rate that is greater than their imports from the rest of the world. The highest growing market is Angola with annual growth of imports from the world of 224%. South Africa may target expanding market in Angola because their imports from the world are growing at a greater rate than their imports from South Africa.

Figure 33: Prospects for market diversification for whey exported by South Africa in 2020



Source: ITC Trademap

The figure 33 above, illustrates that Lesotho is the biggest importer of South African whey and natural milk products with a share of 27.5% followed by Zambia with 18.11% (see Figure 33). The biggest market exists in Viet Nam with the world import share of 1.34%. South Africa might look into developing a new market in Viet Nam. The fastest growing market exists in Angola. Angola’s annual import growth is at 224%. Therefore, this market might be the most attractive market for South Africa’s diversification.

7.1.5. Butter and other fats and oils derived from milk

Table 17: List of importing markets for butter and other fats and oils derived from milk exported by South Africa in 2020

South Africa's export represent **0.1%** of world export for butter and other fats and oils derived from milk, its ranking in world exports is **33**.

Importers	Indicators													
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	10161	-20259	100	2531	Tons	4015	1	-6	5		100	5			
Namibia	2897	2897	28.5	855	Tons	3388	-3	-10	-19	86	0.06	9	2005	0.84	0
Mozambique	2815	2815	27.7	691	Tons	4074	15	9	8	111	0.03	9	1339	0.88	0
Zambia	1177	1177	11.6	237	Tons	4966	6	7	88	149	0	-5	2400	0.77	0
Botswana	911	908	9	229	Tons	3978	-3	-13	-7	147	0	-3	667	0.94	0
Mauritius	751	751	7.4	117	Tons	6419	-3	-14	25	80	0.09	4	7946	0.13	0
Malawi	432	432	4.3	95	Tons	4547	9	7	37	155	0	6	2436	0.83	15
Area Nes	344	344	3.4	50	Tons	6880			2156						
Zimbabwe	178	178	1.8	50	Tons	3560	-32	-31	57	180	0	-32	3352	0.58	0.2
DRC	146	146	1.4	38	Tons	3842	2	5	-4	170	0	-34	7828	0.21	20
Lesotho	141	141	1.4	65	Tons	2169	-15	-20	20	185	0	-18	369	1	0
Eswatini	133	133	1.3	40	Tons	3325	-10	-9	2	192	0	5	428	1	0
Tanzania	100	100	1	25	Tons	4000	-27	-29	-25	146	0	-3	3153	0.28	0
Nigeria	28	28	0.3	4	Tons	7000			-5	63	0.2	-10	11871	0.37	15.3

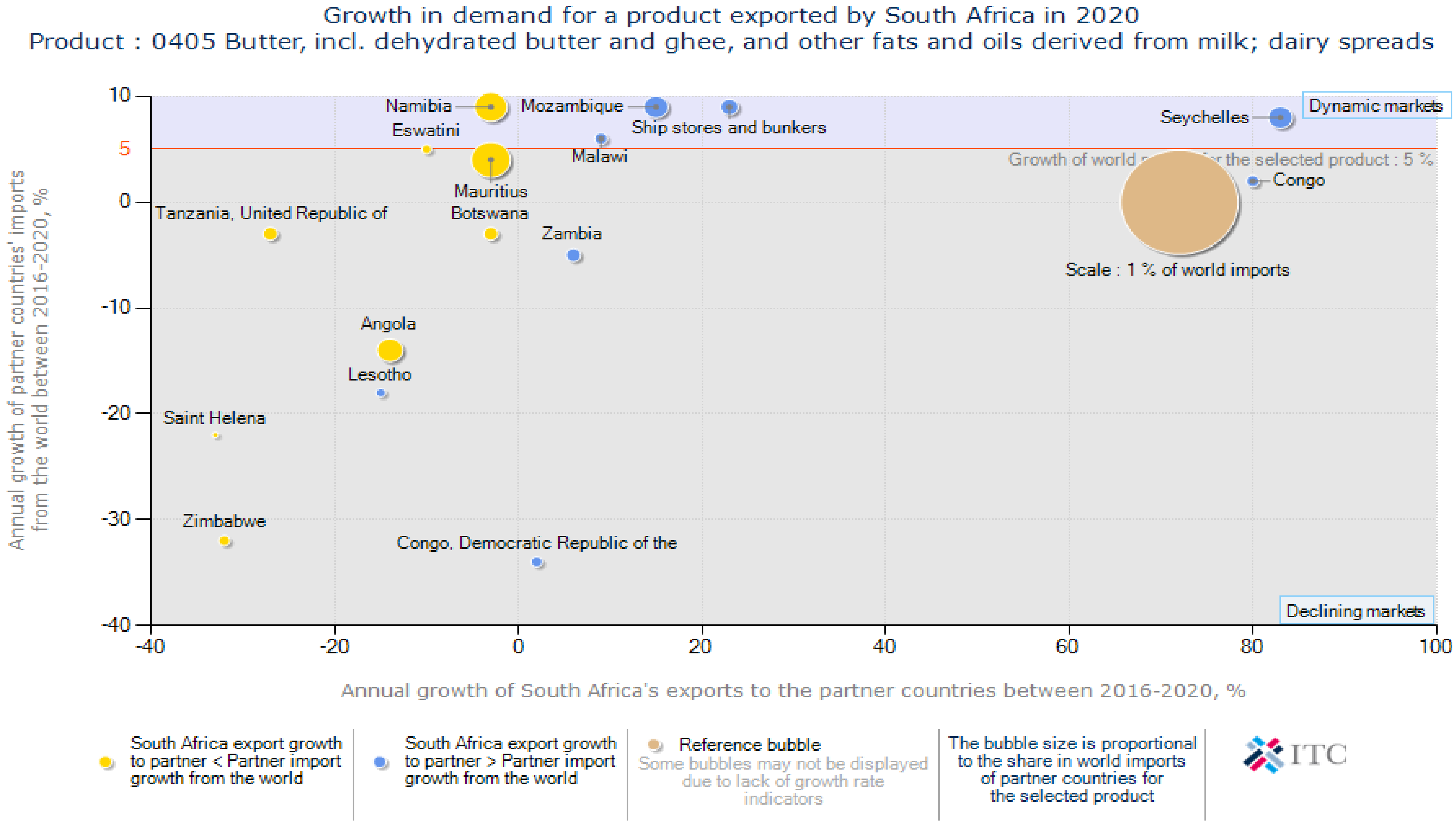
Sources: ITC Trademap.

Table 17 shows that during 2020 South Africa exported 2 531 tons of butter and other fats derived from milk at an average value of US$4 015/unit. South Africa exported greater quantities of butter and other fats derived from milk to Namibia, Mozambique and Zambia. The greatest share of South African butter and other fats derived from milk exports were destined to Namibia which accounted for 28.5% share during the year 2020 followed by Mozambique (27.7%) and Zambia received a share of 11.6%.

South Africa's butter and other fats derived from milk exports increased by 1% in value and decreased by 6% in quantity between the periods 2016 and 2020. During the same period, exports of butter and other fats derived from milk to Namibia decreased by 3% in value and 10% in quantity. Mozambique showed an increase of 15% in value and 9% in quantity and Zambia increased by 6% in value and 7% in quantity.

Between the period 2019 and 2020, South Africa's exports of butter and other fats and oils increased by 5% in value. During the same period, Namibia decreased by 19% while Mozambique increased by 9% in value.

Figure 34: Growth in demand for butter exported by South Africa in 2020



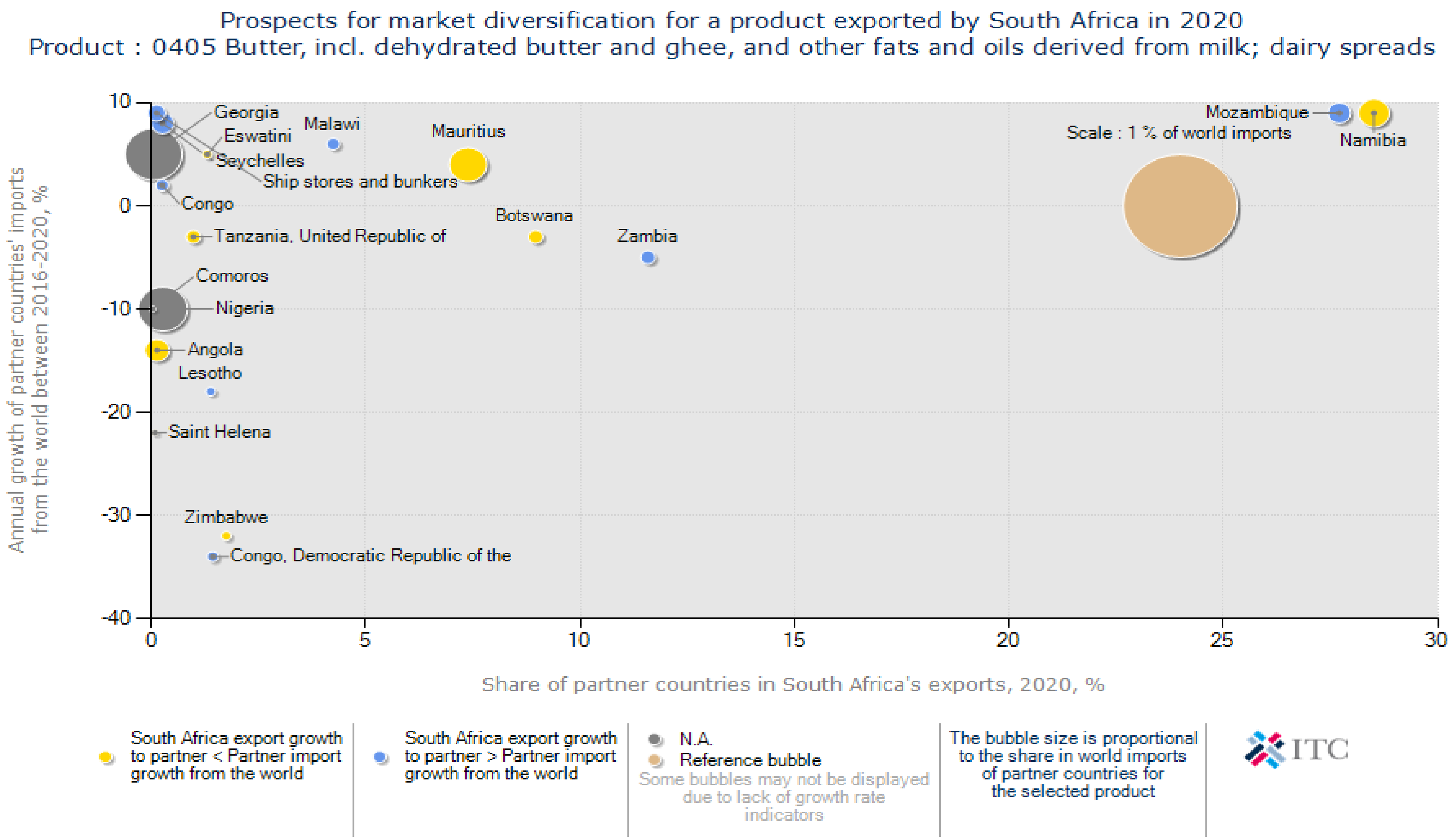
Source: ITC Trademap

Figure 34 illustrates that South Africa's exports of butter and other fats and oils represent 0.1% of the world exports. Between 2016 and 2020 South Africa's butter and other fats and oil exported to Angola, Botswana, Mauritius, Eswatini, Namibia, Zimbabwe and Tanzania were growing at a rate that is less than their import growth from the rest of the world.

During the same period, South Africa's butter and other fats and oil exports to Mozambique, Malawi, Zambia, Lesotho, Seychelles and Congo were growing at a rate that is greater than their imports from the rest of the world.

Zimbabwe and Saint Helena represent the declining market. The most growing demand of butter and other fats and oils exist in Namibia with annual imports growth of 9% per annum during the period from 2016 to 2020.

Figure 35: Prospects for market diversification for butter exported by South Africa in 2020



Source: ITC Trademap

Figure 35 illustrates the prospects of market diversification of butter and other fats in 2020. South Africa is currently exporting most of its butter and other fats to Namibia followed by Mozambique but if South Africa needs to diversify its export market, the growing market exist in Seychelles with an annual import growth of 9%, South Africa may expand export market in Seychelles.

7.1.6. Cheese and Curd

Table 18: List of importing markets for the product exported by South Africa in 2020

South Africa's exports represent **0.1%** of world exports of cheese and curd, its ranking in world exports is **45**.

Importers	Indicators														
	Value exported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2020	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2016-2020 (%, p.a.)	Growth in exported quantity between 2016-2020 (%, p.a.)	Growth in exported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying countries of partner countries	Average tariff (estimated) faced by South Africa (%)
World	37955	4699	100	10159	Tons	3736	2	78	-3		100	5			
Namibia	11024	11024	29	2819	Tons	3911	0	-2	-17	96	0.04	-2	1811	0.87	0
Botswana	5573	5573	14.7	1527	Tons	3650	7	120	-13	121	0.02	6	535	0.99	0
Mozambique	5024	5024	13.2	1301	Tons	3862	4	4	-8	125	0.02	8	2407	0.66	0
Saudi Arabia	3590	3590	9.5	947	Tons	3791			4550	12	2	1	4968	0.1	5
Zambia	3069	3069	8.1	832	Tons	3689	-3	-3	-17	138	0.01	-1	1908	0.69	0
Eswatini	2751	2751	7.2	754	Tons	3649	3	-2	-9	148	0	4	478	0.99	0
Zimbabwe	2227	2227	5.9	647	Tons	3442	-11	-5	14	175	0	-31	3665	0.5	0
Lesotho	1202	1202	3.2	334	Tons	3599	3	9	-6	161	0	3	369	1	0
Malawi	947	947	2.5	269	Tons	3520	6	6	0	165	0	8	1762	0.84	15
DRC	553	553	1.5	145	Tons	3814	11	11	-31	181	0	26	6491	0.15	19.8
Egypt	298	297	0.8	79	Tons	3772	271			44	0.4	-1	5127	0.16	6.5
Seychelles	263	263	0.7	91	Tons	2890	48	60	-41	122	0.02	8	6070	0.12	0

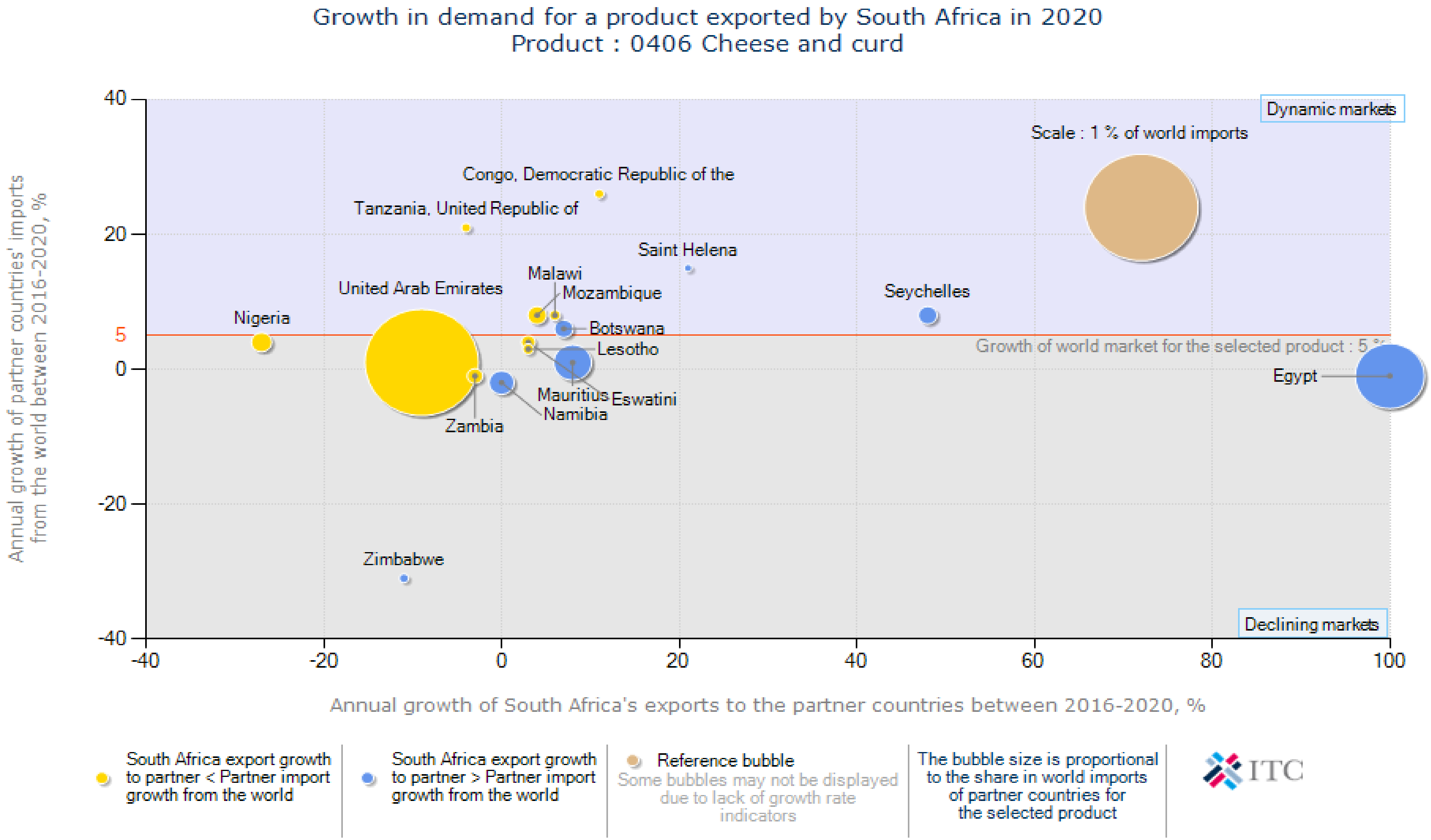
Sources: ITC Trademap.

Table 18 shows that during 2020 South Africa exported 10 159 tons of cheese and curd at an average value of US$3 736/unit. South Africa exported greater quantities of cheese and curd to Namibia, Botswana and Mozambique. The greatest share of South African cheese and curd exports were destined to Namibia which accounted for 29% share during the year 2020 followed by Botswana with 14.7% and then Mozambique by 13.2%.

South Africa's exports of cheese and curd increased by 2% in value and 78% in quantity between the period 2016 and 2020. During the same period, exports of cheese and curd to Namibia's value did not change and decreased by 2% in quantity. Botswana increased by 7% in value and 120% in quantity and Mozambique showed an increase of 4% in value and 4% in quantity.

Between the period 2019 and 2020, South Africa's exports of cheese and curd decreased by 3% in value. During the same period, Namibia decreased by 17%, Botswana decreased by 13% and Mozambique by 8%.

Figure 36: Growth in demand for cheese and curd from South Africa in 2020



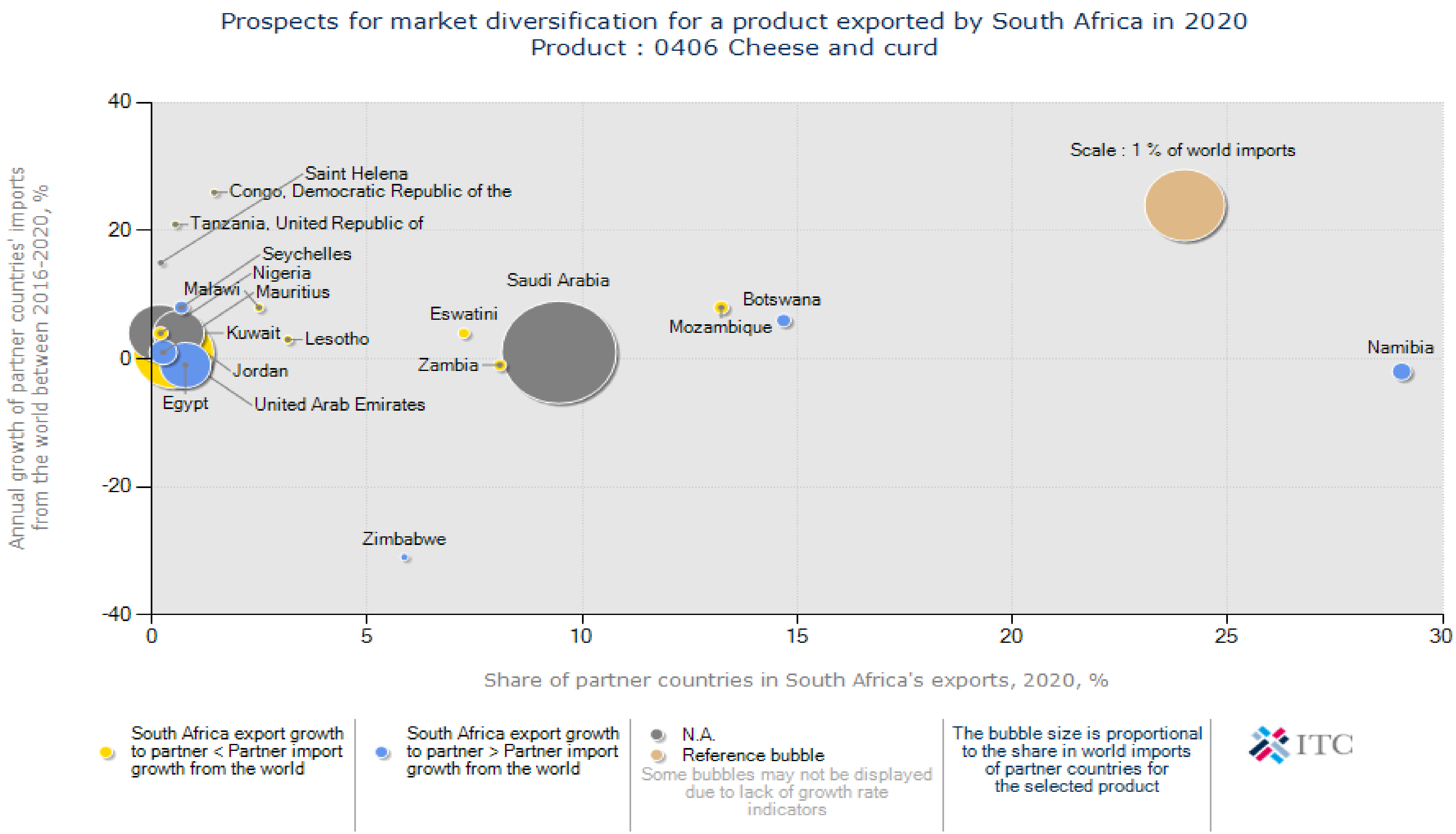
Source: ITC Trademap

Figure 36 illustrates that that South Africa's exports of cheese and curd represent 0.1% of the world exports. Between 2016 and 2020 exports of cheese and curd to UAE, Lesotho, Nigeria, Zambia, Eswatini and Uganda were growing at a rate that is less than their import growth from the rest of the world.

During the same period, South African cheese and curd exports to Egypt, Seychelles, Mauritius, Zimbabwe, Botswana, Namibia and Saint Helena were growing at a rate that is greater than their imports from the rest of the world.

The most growing demand for cheese and curd exist in DRC with an annual import growth of 26%.

Figure 37: Prospects for market diversification for cheese and curd exported by South Africa in 2020



Source: ITC Trademap

Figure 37 shows that, Namibia, is the Highest importer of South African cheese and curd in 2020, followed at a distance by Botswana and Mozambique. South Africa may consider penetrating small and fastest growing market, which is DRC. DRC's annual import growth rate is at 26% respectively. This is the most lucrative market for South Africa.

7.2. Imports

7.2.1. Milk and cream (neither concentrated nor sweetened)

Table 19: List of supplying markets for the product imported by South Africa in 2020

South Africa's imports represent **0.0%** of world imports for milk and cream (not concentrated nor sweetened), its ranking in world imports is **65**.

Exporters	Indicators														
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	3569	47812	100	5699	Tons	626	-24	-27	-69		100	3			
Poland	3014	-3014	84.4	5303	Tons	568	-18	-22	-69	6	5.2	11	2277	0.27	0
France	192	-192	5.4	58	Tons	3310	-13	-23	-56	3	7.8	0	3717	0.11	0
Belgium	142	-142	4	49	Tons	2898	-2	-5	38	2	8.2	6	1137	0.22	0
Germany	80	-80	2.2	55	Tons	1455	32	7	-34	1	15.2	1	2587	0.14	0
Zimbabwe	47	16	1.3	86	Tons	547			750	72	0.01	90	703	0.35	0
Area Nes	40	2015	1.1	46	Tons	870			17						
Lesotho	25	9039	0.7	80	Tons	313	23	145	15	95	0	122	369	1	0
Ireland	21	-21	0.6	15	Tons	1400	-6	-20	-86	19	1.5	24	2117	0.64	0
Brazil	4	-4	0.1	0	Tons		-31		-24	42	0.2	4	9894	0.11	0
United Kingdom	3	-3	0.1	2	Tons	1500	-21	-22	-100	8	4.1	7	753	0.62	0
China	1	-1	0	4	Tons	250				39	0.2	2	1008	0.93	0
Mozambique		10454								117	0	4	7441	0.2	0

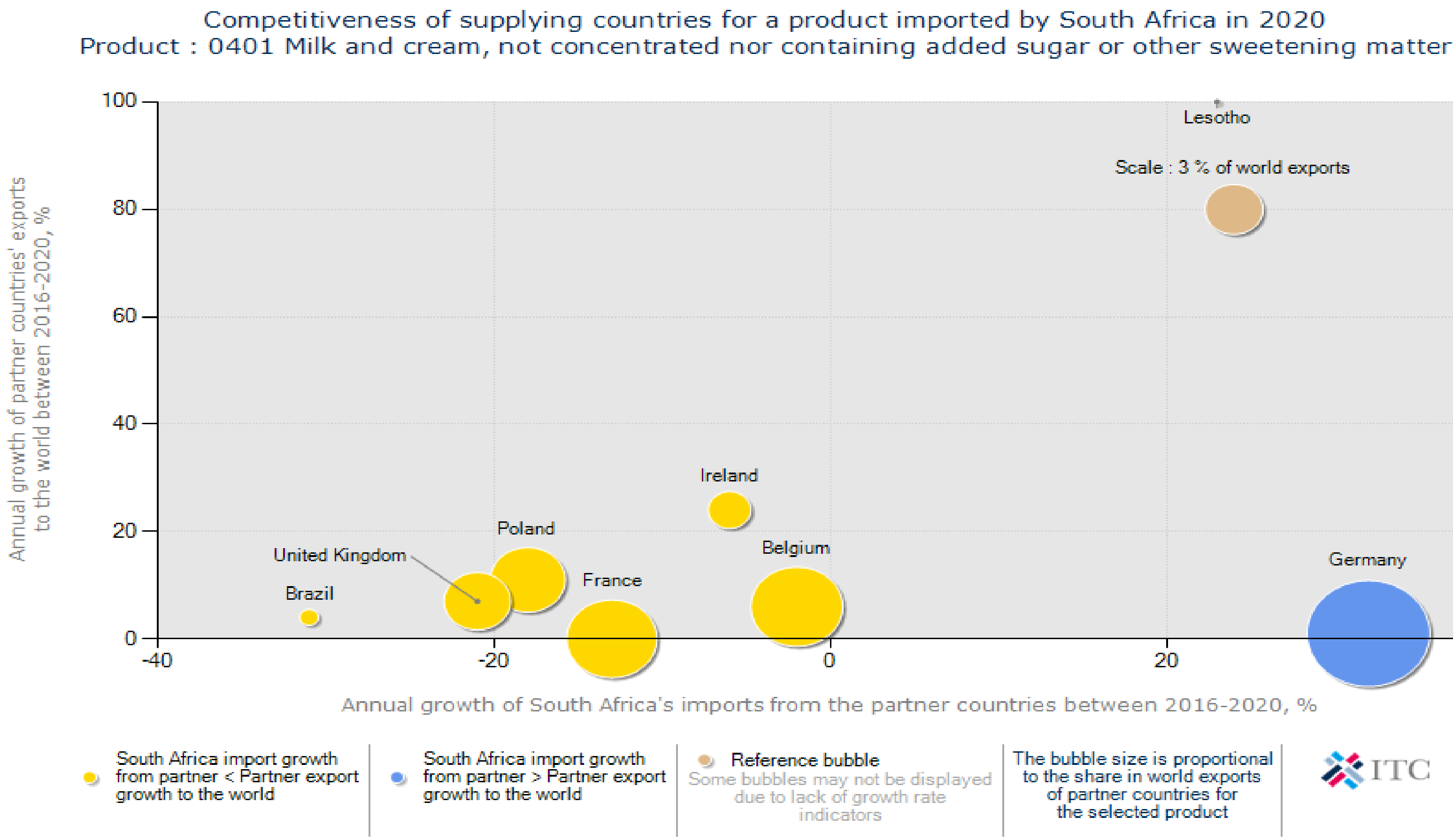
Source: ITC Trademap.

Table 19 shows that during 2020 South Africa imported 5 699 tons of milk and cream (not concentrated nor sweetened), at an average value of US$ 626/unit. South Africa imported greater quantities of milk and cream, (not concentrated or sweetened) from Poland and France. The greatest share of South African milk and cream (not concentrated or sweetened) imports originated from Poland, accounted for 84.4% share during the year 2020 followed at a distance by France with 5.4%.

South Africa's milk and cream (not concentrated or sweetened) imports decreased by 24% in value and 27% in quantity between the period 2016 and 2020. During the same period, imports of milk and cream (not concentrated or sweetened) from Poland decreased by 18% in value and 22% in quantity.

Between the period 2019 and 2020 South Africa's imports of milk and cream (not concentrated or sweetened) decreased by 69% in value. During the same period imports of milk and cream (not concentrated or sweetened) from Poland to decreased by 69% and France decreased by 56% in value.

Figure 38: Competitiveness of suppliers to South Africa for unsweetened milk and cream in 2020

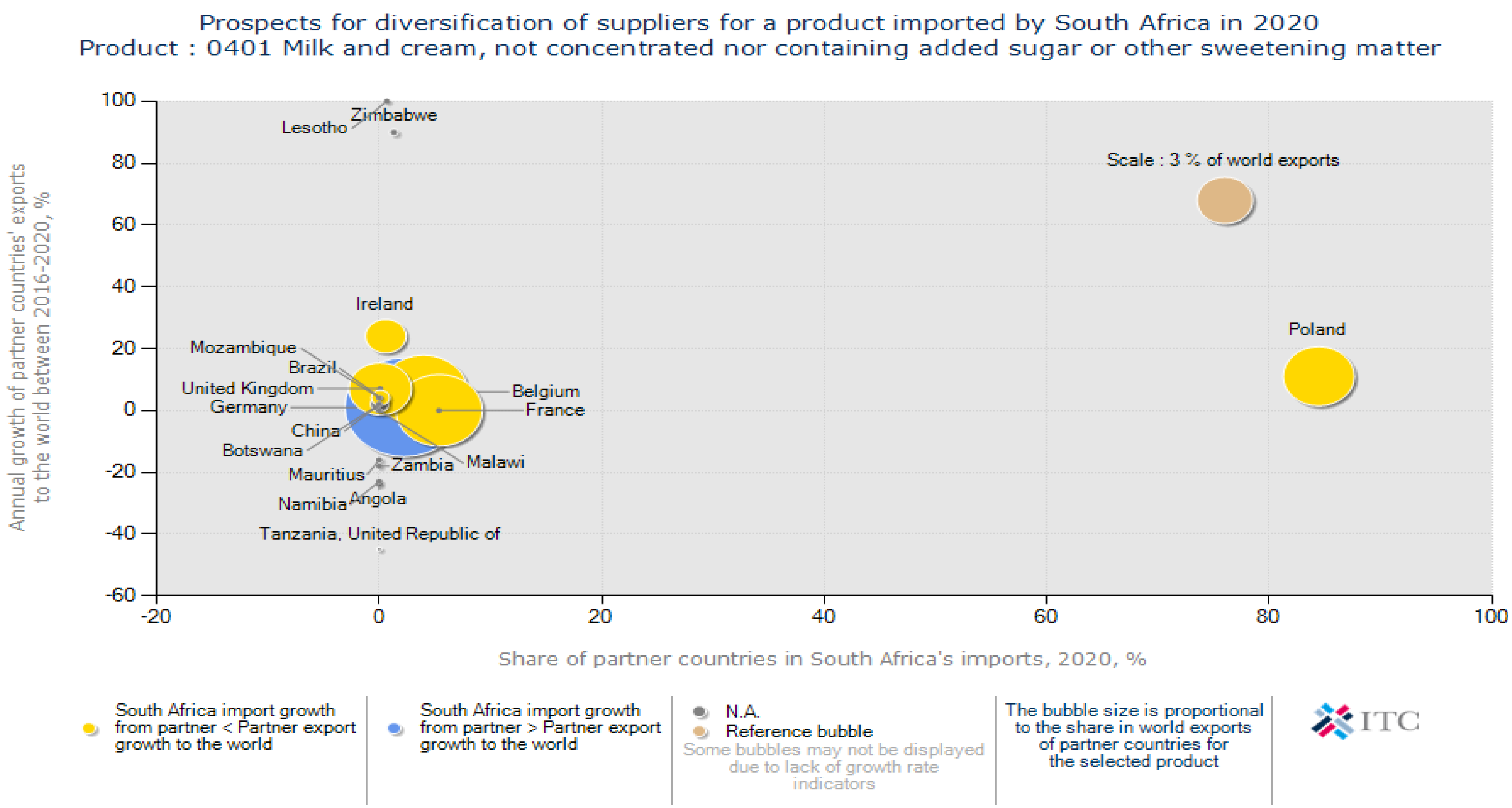


Source: ITC Trademap

Figure 38 illustrates that South Africa's imports represent 0.1% of the world's imports of milk and cream, not concentrated or sweetened. During 2016 and 2020 South African milk and cream imports from France, Belgium, Poland, United Kingdom and Ireland were growing at a rate that is less than these countries' exports to the rest of the world. At the same period, the imports of milk and cream from Germany were growing at the rate that is greater than these countries' exports to the rest of the world.

The most competitive market is Ireland because its annual export growth rate was at 24% during the period 2016 to 2020.

Figure 39: Prospects for diversification of suppliers for unsweetened milk and cream imported by South Africa in 2020



Source: ITC Trademap

Figure 39 illustrates that Germany was not a big supplier of South Africa's market for milk and cream (not concentrated or sweetened) in 2020, however the country was the world's greatest exporter of milk and cream (not concentrated or sweetened) over the period 2016 to 2020. However, Germany's annual export growth is very low at 2%. South African attractive market exists in Lesotho with the annual export growth of 122%.

7.2.2. Milk and cream, concentrated or sweetened

Table 29: List of supplying markets for the product imported by South Africa in 2020

South Africa's imports represent **0.3%** of world imports for milk and cream (concentrated or sweetened), its ranking in world imports is **59.**

Exporters	Indicators														
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	55760	633	100	19723	Tons	2827	20	14	23		100	7			
Belgium	14509	-14509	26	5288	Tons	2744	55	47	120	6	4.9	11	3531	0.06	11.3
New Zealand	10978	-10972	19.7	3420	Tons	3210	5	-4	112	1	27.6	9	10797	0.18	11.3
France	10129	-10129	18.2	3854	Tons	2628	8	2	37	5	5.2	7	3203	0.06	11.3
Germany	6269	-6269	11.2	2286	Tons	2742	41	35	32	3	7.4	4	2496	0.08	11.3
Netherlands	5117	-5117	9.2	1707	Tons	2998	46	49	57	4	7.4	3	4449	0.04	11.3
Sweden	3172	-3172	5.7	1156	Tons	2744		102	-19	19	1	2	3601	0.15	11.3
Italy	1100	-1100	2	254	Tons	4331	3	2	10	37	0.2	10	7702	0.19	11.3
Canada	1050	-1047	1.9	450	Tons	2333	45	73	183	25	0.5	13	9775	0.12	11.3
Malaysia	789	-789	1.4	340	Tons	2321	-1	11	-31	18	1.1	1	7520	0.04	11.3
Ireland	559	-559	1	204	Tons	2740	20	12	-83	9	3	23	4121	0.1	11.3
Argentina	392	-392	0.7	82	Tons	4780	225		512	10	2.4	10	6122	0.32	11.3
United States of America	379	-379	0.7	154	Tons	2461	86	252	-77	2	10.2	14	8157	0.16	11.3

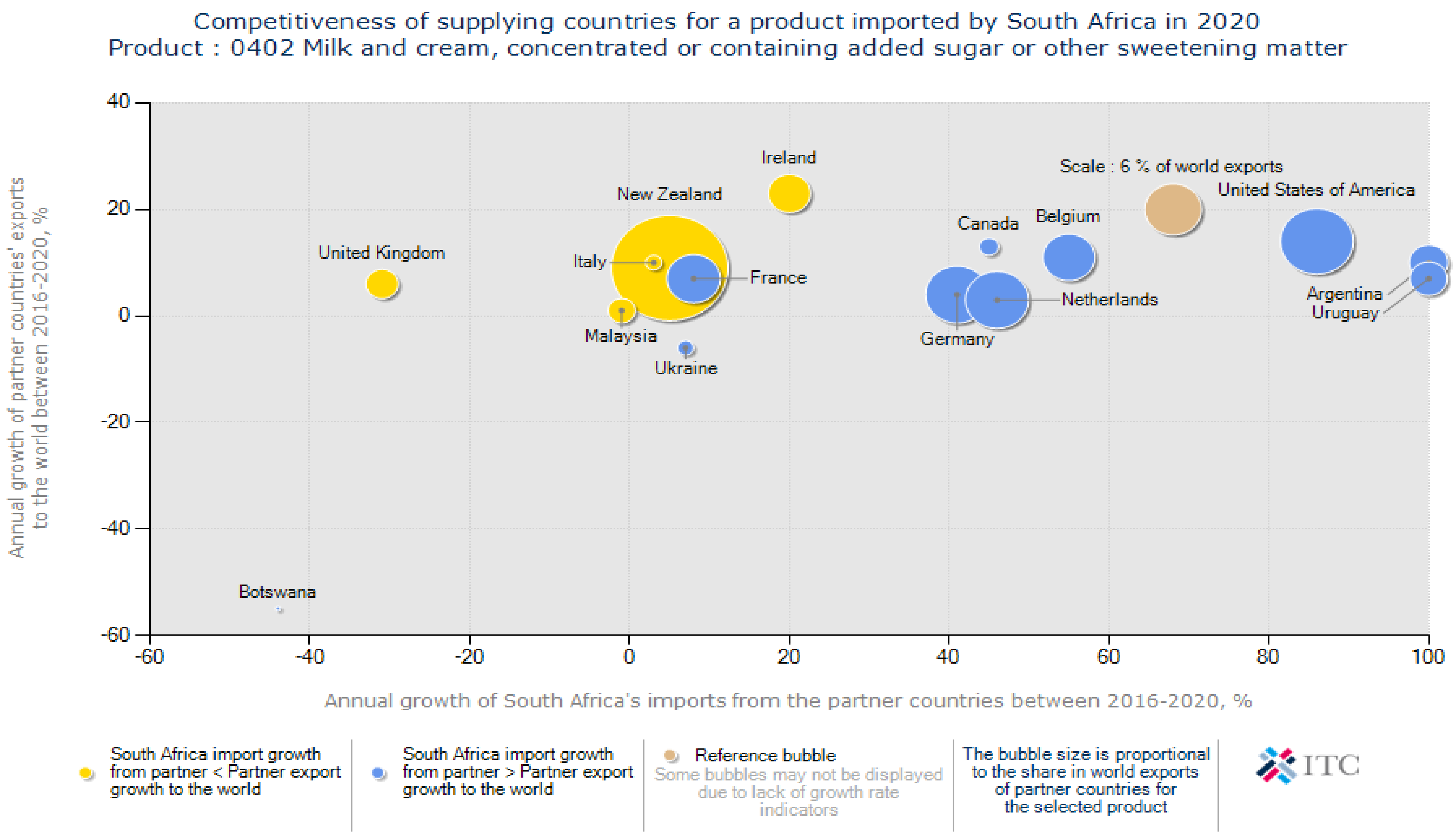
Source: ITC calculations based on COMTRADE statistics.

Table 20 shows that during 2020 South Africa imported a total of 19 723 tons of milk and cream (concentrated or sweetened), at an average value of US$2 827/unit. South Africa imported greater quantities of milk and cream, (concentrated or sweetened) from Belgium, New Zealand and France. The greatest share of South African milk and cream (concentrated or sweetened) imports originated from Belgium which commanded 26% share during the year 2020 followed by New Zealand with 19.7% and France with 18.2%.

South Africa's milk and cream (concentrated or sweetened) imports increased by 20% in value and 14% in quantity between the period 2016 and 2020. During the same period, imports of milk and cream (concentrated or sweetened) from Belgium increased by 55% in value and 47% in quantity and New Zealand increased by 5% in value and decreased by 4% in quantity.

Between the period 2019 and 2020, South Africa's imports of milk and cream (concentrated or sweetened) increased by 23% in value. During the same period, Belgium's milk and cream (concentrated or sweetened) exports to South Africa increased by 120% in value and New Zealand also increased by 112%.

Figure 40: Competitiveness of suppliers to South Africa for sweetened milk and cream in 2020

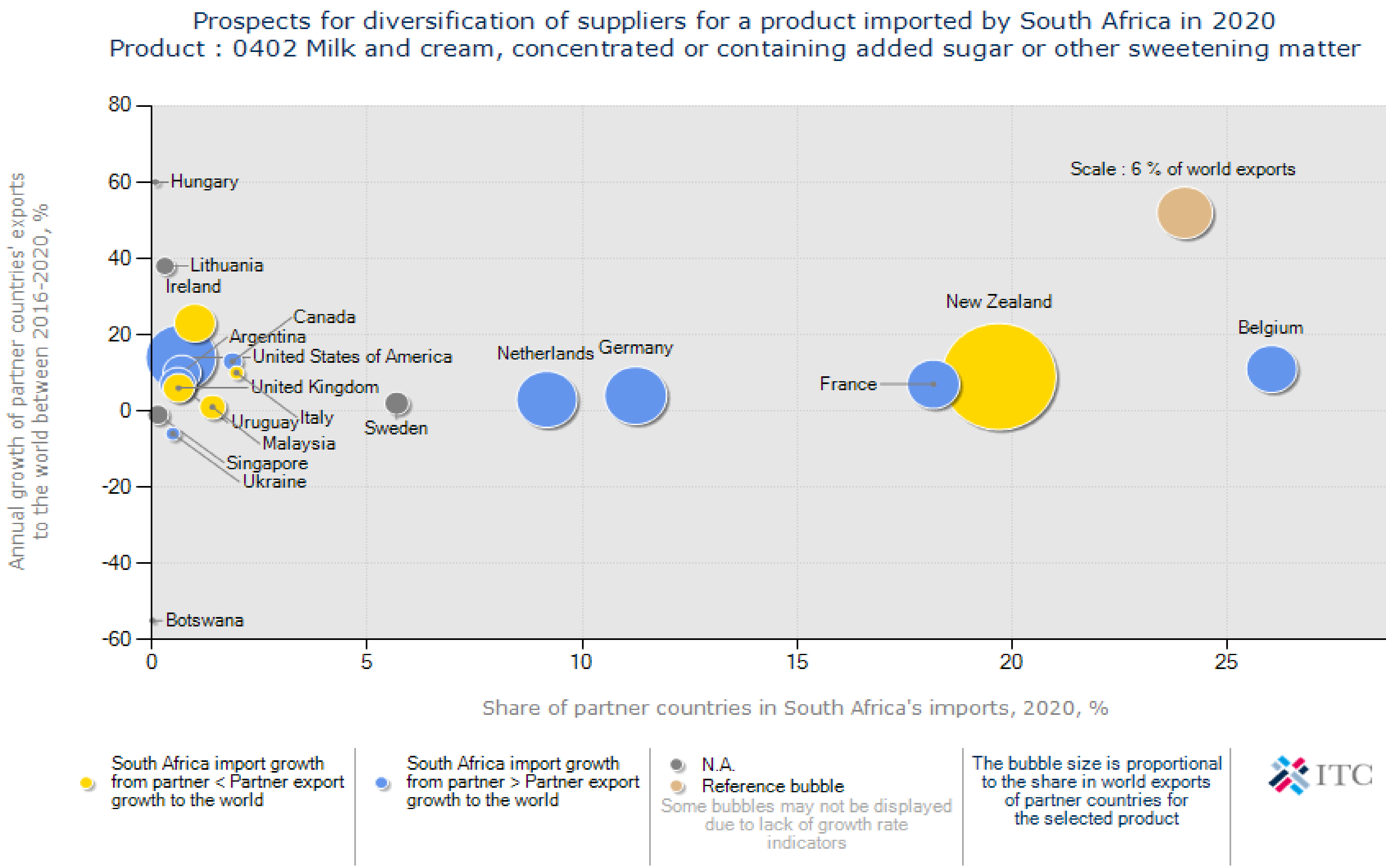


Source: ITC Trademap

Figure 40 illustrates that between 2016 and 2020 South Africa's milk and cream (concentrated or sweetened) imports from New Zealand, Ireland, Italy, UK and Malaysia was growing at a rate that is less than their export growth to the rest of the world.

During the same period, South Africa's milk and cream, concentrated or sweetened imports from Argentina, Uruguay, Germany, Belgium, Netherlands, France, USA, Canada and Ukraine were growing at a rate that is greater than their exports to the rest of the world. Ireland is the growing competitive market with an annual export growth of 23%.

Figure 41: Prospects for diversification of suppliers for sweetened milk and cream imported by South Africa in 2020



Source: ITC Trademap

Figure 41 illustrates that Belgium was the biggest supplier of South Africa's market for milk and cream (concentrated or sweetened) in 2020. However, South African import growth from Belgium is greater than Belgium's exports to the world during 2016 to 2020.

The figure also shows that Hungary is not an import market for South Africa's milk and cream (concentrated or sweetened). Hungary is the prospective import market due to its high annual exports growth rate of 60% during 2016 to 2020.

7.2.3. Buttermilk and yoghurt

Table 21: List of supplying markets for the product imported by South Africa in 2020

South Africa's imports represent **0.2%** of world imports for Buttermilk and yoghurt, its ranking in world's imports is **60**.

Exporters	Indicators														
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	10012	26086	100	4077	Tons	2456	17	8	28		100	3			
France	3722	-3722	37.2	1534	Tons	2426	19	7	22	2	12.3	-2	1324	0.17	0
Germany	2453	-2453	24.5	942	Tons	2604	26	28	-15	1	21.6	2	1420	0.08	0
Netherlands	1947	-1947	19.4	806	Tons	2416	136	124	571	12	2.3	-4	3375	0.14	0
United Kingdom	765	-765	7.6	324	Tons	2361	13	5	36	13	2.2	0	1998	0.4	0
Lithuania	342	-342	3.4	150	Tons	2280				42	0.3	3	1497	0.19	0
Belgium	338	-338	3.4	150	Tons	2253	28	16	202	3	6.7	4	1243	0.13	0
New Zealand	263	-262	2.6	101	Tons	2604	-6	-16	-38	11	2.4	5	9252	0.16	9.3
Ireland	74	-74	0.7	13	Tons	5692	-53	-68	329	17	1.4	2	4600	0.13	0
United States of America	69	-69	0.7	27	Tons	2556	8	7	8	14	2.1	10	7387	0.16	9.3
Lesotho	33	1590	0.3	28	Tons	1179	6	26		105	0	13	369	1	0
Switzerland	2	-2	0	0	Tons		34		95	30	0.5	3	6360	0.12	5.9
Korea, Republic of	2	-2	0	2	Tons	1000				56	0.1	-8	8116	0.31	9.3

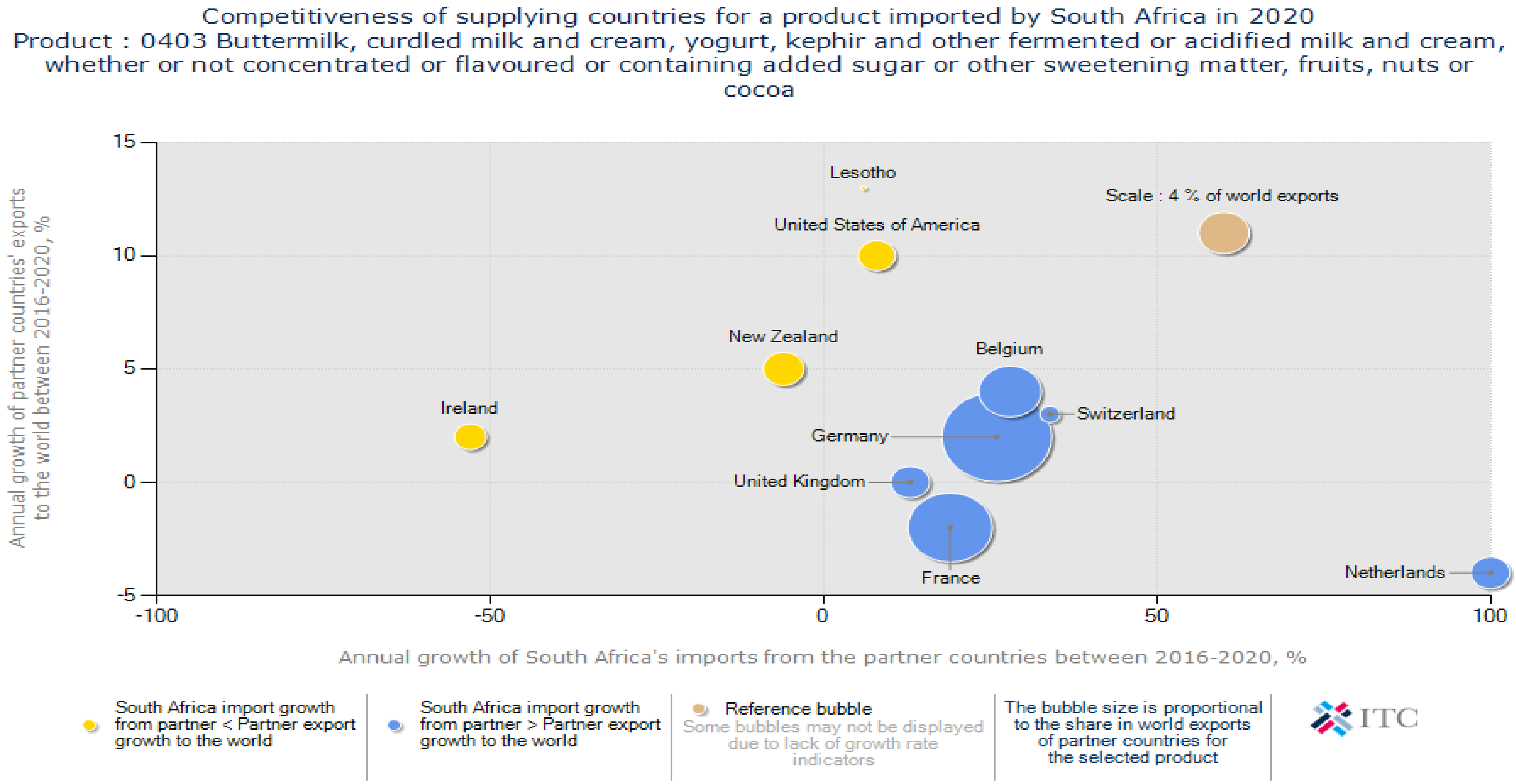
Source: ITC calculations based on COMTRADE statistics.

Table 21 shows that during 2020 South Africa imported 4 077 tons of buttermilk and yoghurt, at an average value of US$2 456/unit. South Africa imported greater quantities of milk and cream, (concentrated or sweetened) from France, Germany and Netherlands. The greatest share of South African buttermilk and yoghurt imports originated from France which commanded 37.2% share during the year 2020 followed by Germany with 24.5% and Netherlands with 19.4%.

South Africa's buttermilk and yoghurt imports increased by 17% in value and 8% in quantity between the period 2016 and 2020. During the same period, imports of buttermilk and yoghurt from France increased by 19% in value and 7% in quantity and imports from Germany increased by 26% in value and 28% in quantity.

Between the periods 2019 and 2020, South Africa's imports of buttermilk and yoghurt increased by 28% in value. During the same period, France's buttermilk and yoghurt exports increased by 22%, Germany decreased by 15% and Netherlands increased by 571%.

Figure 42: Competitiveness of suppliers to South Africa for buttermilk and yogurt in 2020

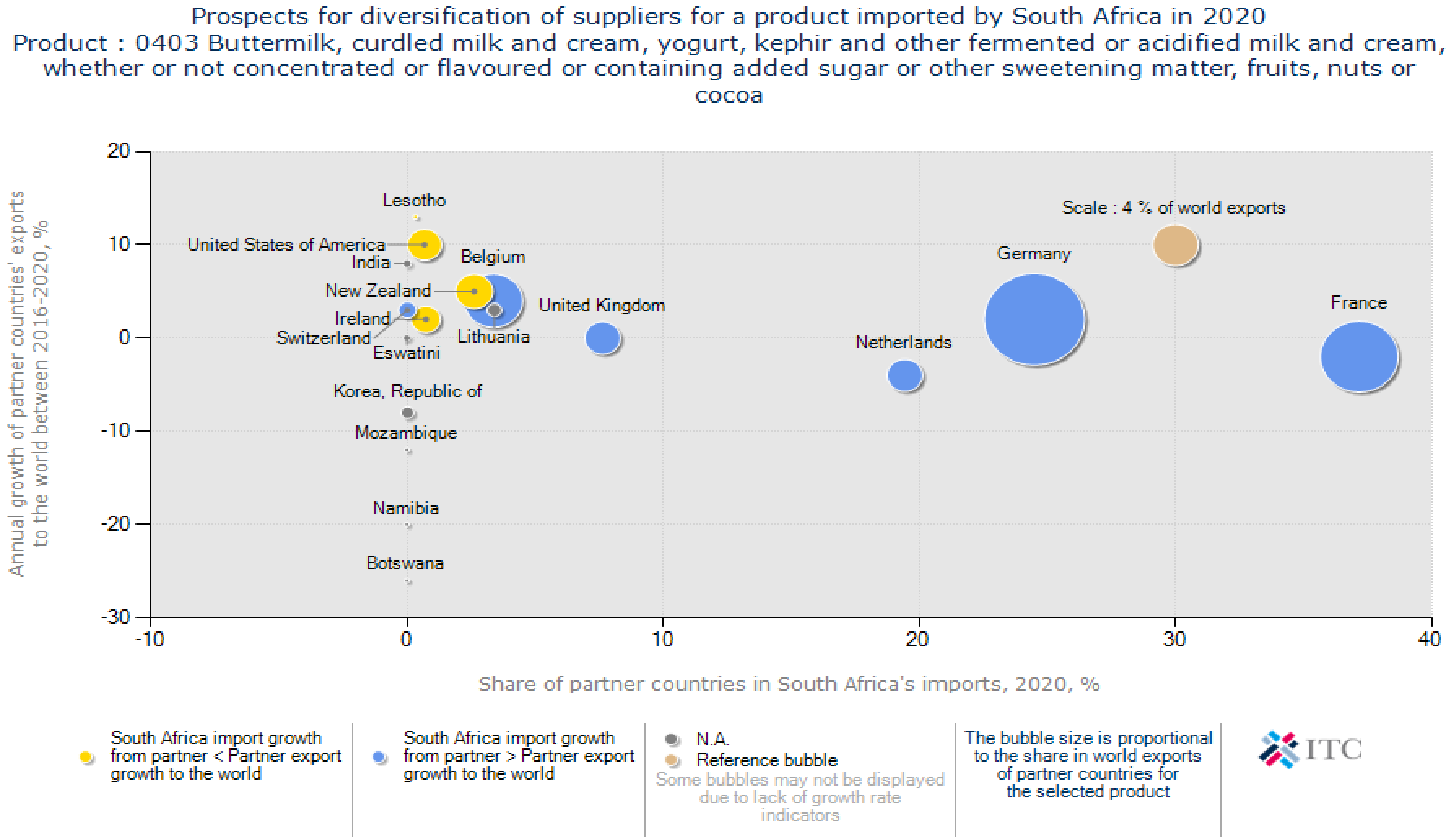


Source: ITC Trademap

Figure 42 illustrates that between 2016 and 2020 South Africa's buttermilk and yoghurt imported from USA, New Zealand and Ireland were growing at a rate that is less than their export growth to the world.

During the same period, South Africa's buttermilk and yoghurt imports from France, Germany, UK, Switzerland and Netherlands were growing at a rate that is greater than their exports to the rest of the world. Germany is the most competitive market during the period 2016 and 2020 due to its world market share of 21.58%.

Figure 43: Prospects for diversification of suppliers for buttermilk and yogurt imported by South Africa in 2020



Source: ITC Trademap

France is the biggest supplier of buttermilk and yoghurt and has a share of 37.18% of South African's imports (see Figure 43). However, France annual export growth to the world declined by 2%. South Africa can diversify to Lesotho as it appears to be the fastest growing market of buttermilk and yoghurt. Lesotho's annual export growth is higher at 13%.

7.2.4. Whey and other natural milk products

Table 22: List of supplying markets for the product imported by South Africa in 2029

South Africa's imports represent **0.9%** of world's imports for whey and natural milk products; its ranking in world imports is **30**.

Exporters	Indicators													
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	40980	-37170	100	16977	Tons	2414	34	32	6		100	6			
France	12688	-12688	31	4646	Tons	2731	19	8	-30	3	10.5	1	4918	0.07	2.1
Uruguay	6854	-6854	16.7	1817	Tons	3772				31	0.3	1	14258	0.17	11.2
Belgium	6745	-6745	16.5	1102	Tons	6121	72	69	1464	16	1.6	3	2049	0.19	2.1
New Zealand	2789	-2789	6.8	922	Tons	3025	586	834	481	5	9.5	1	12238	0.28	11.2
Poland	2452	-2452	6	2373	Tons	1033		471	-41	6	4.5	6	4321	0.11	2.1
Germany	1721	-1721	4.2	513	Tons	3355	9	11	-16	2	12.6	8	3127	0.14	2.1
Australia	1673	-1672	4.1	699	Tons	2393			-2	18	1.4	6	7134	0.2	11.2
Denmark	1461	-1461	3.6	739	Tons	1977	36	3	43	8	3.7	6	2770	0.42	2.1
Ireland	1021	-1021	2.5	870	Tons	1174	38	46	-69	9	3.6	14	4764	0.17	2.1
United Kingdom	724	-724	1.8	427	Tons	1696	221	326	-73	11	2.1	7	3682	0.13	2.1
Netherlands	628	-628	1.5	594	Tons	1057	-1	22	-57	4	9.7	9	4847	0.11	2.1
Estonia	563	-563	1.4	425	Tons	1325	52	40	12	24	0.6	28	2854	0.19	2.1

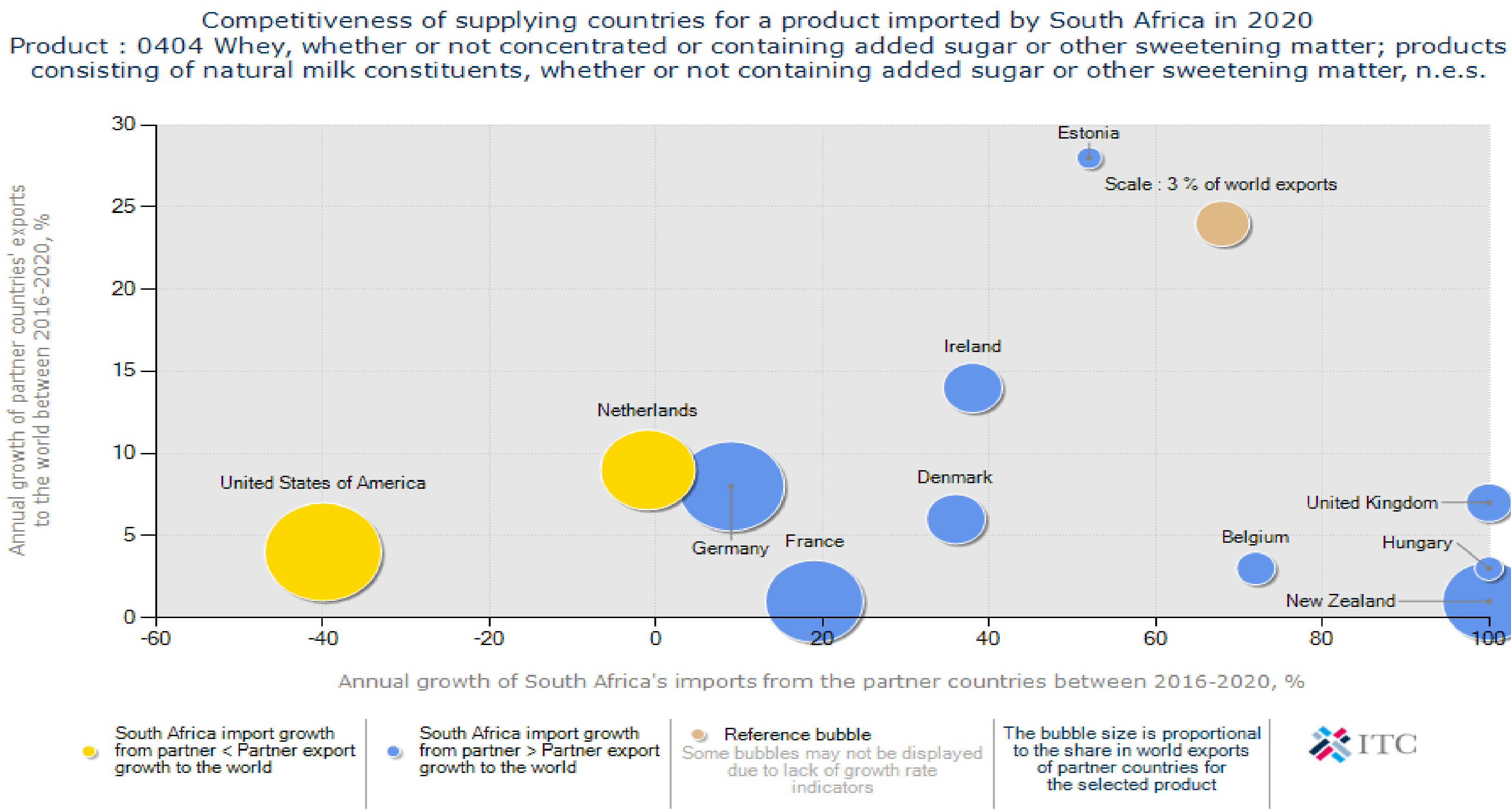
Source: ITC Trademap

Table 22 shows that during 2020, South Africa imported 16 977 tons of whey and natural milk products, at an average value of US$2 414/unit. South Africa imported greater quantities of whey and natural milk products from France, Uruguay and Belgium. The greatest share of South African whey and natural milk products' imports originated from France which commanded 31% share during the year 2020 followed by Uruguay with 16.7% and Belgium with 16.5%.

South Africa's whey and natural milk products imports increased by 34% in value and by 32% in quantity between the period 2016 and 2020. During the same period, imports of whey and natural milk products from France increased by 19% in value and 8% in quantity. Imports from Belgium has increased by 72% in value and 69% in quantity.

Between the period 2019 and 2020, South Africa's imports of whey and natural milk products increased by 6% in value. During the same period, France' whey and natural milk products exports to South Africa decreased by 30% in value while imports from Belgium increased by 1464% in value.

Figure 44: Competitiveness of suppliers to South Africa for whey in 2020



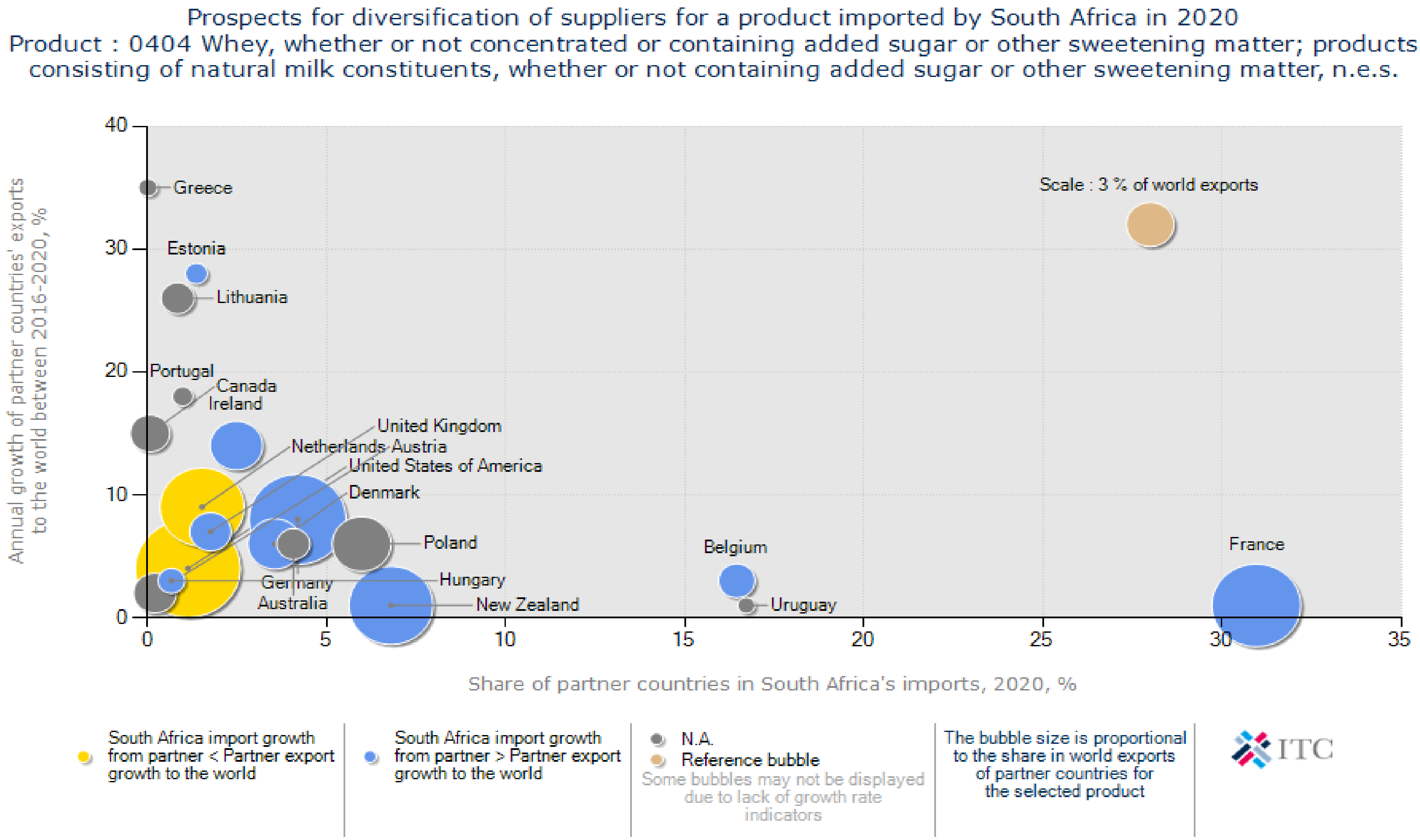
Source: ITC Trademap

Figure 44 illustrates that between 2016 and 2020 South Africa's whey and natural milk products imported from USA and Netherlands were growing at a rate that is less than their export growth to the rest of the world.

During the same period, South Africa's whey and natural milk products imported from France, New Zealand, Belgium, Estonia, Ireland, Germany and UK were growing at a rate that is greater than their exports to the rest of the world.

The most competitive supplier of whey and natural milk products is Estonia, which has an annual export growth of 28%.

Figure 45: Prospects for diversification of suppliers for whey imported by South Africa in 2020



Source: ITC Trademap

South Africa is already importing from the biggest exporters in the world of whey and natural milk products, which are USA, France and Germany. USA has a world market share of 15.05%. France has 10.55% while Germany has a world market share of 12.6% during 2020. South Africa’s may tap into Greece market due to annual export growth of 35% from the world and South Africa’s growth rate is low. Lithuania and Estonia are also the fastest growing market with annual export growth of 26% and 28% respectively that pose a prospect for diversification.

7.2.5. Butter and other fats and oils derived from milk

Table 23: List of supplying markets for the product imported by South Africa in 2020

South Africa's imports represent **0.3%** of world imports for butter and other fats and oils derived from milk, its ranking in world's imports is **48**.

Exporters	Indicators														
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	30420	-20259	100	7188	Tons	4232	9	4	44		100	4			
United Kingdom	11708	-11708	38.5	2724	Tons	4298	64	52	563	9	2.8	4	2078	0.14	6.9
New Zealand	8055	-8055	26.5	2185	Tons	3686	-5	-10	16	1	22	2	10779	0.07	6.9
Ireland	6418	-6418	21.1	1452	Tons	4420	-4	-6	13	3	13.5	14	2307	0.16	6.9
Uruguay	2410	-2410	7.9	552	Tons	4366			170	20	0.5	4	11223	0.18	6.9
Denmark	1447	-1447	4.8	205	Tons	7059	3	-4	-38	8	3.1	5	3674	0.06	6.9
France	215	-215	0.7	30	Tons	7167	-16	-22	-29	6	6.1	4	4409	0.05	6.9
Belgium	135	-135	0.4	34	Tons	3971	-18	-12	131	5	7.5	1	1462	0.18	6.9
Italy	15	-15	0	2	Tons	7500	39			16	0.9	19	1581	0.17	6.9
Netherlands	6	-6	0	1	Tons	6000	-45	-44	-100	2	15.8	2	1406	0.17	6.9
Portugal	4	-4	0	1	Tons	4000			-36	18	0.6	-5	2669	0.14	6.9
Botswana	3	908	0	0	Tons		86		-99	119	0	47	634	0.63	0
Australia	2	-2	0	1	Tons	2000	58			17	0.9	-8	8226	0.1	6.9

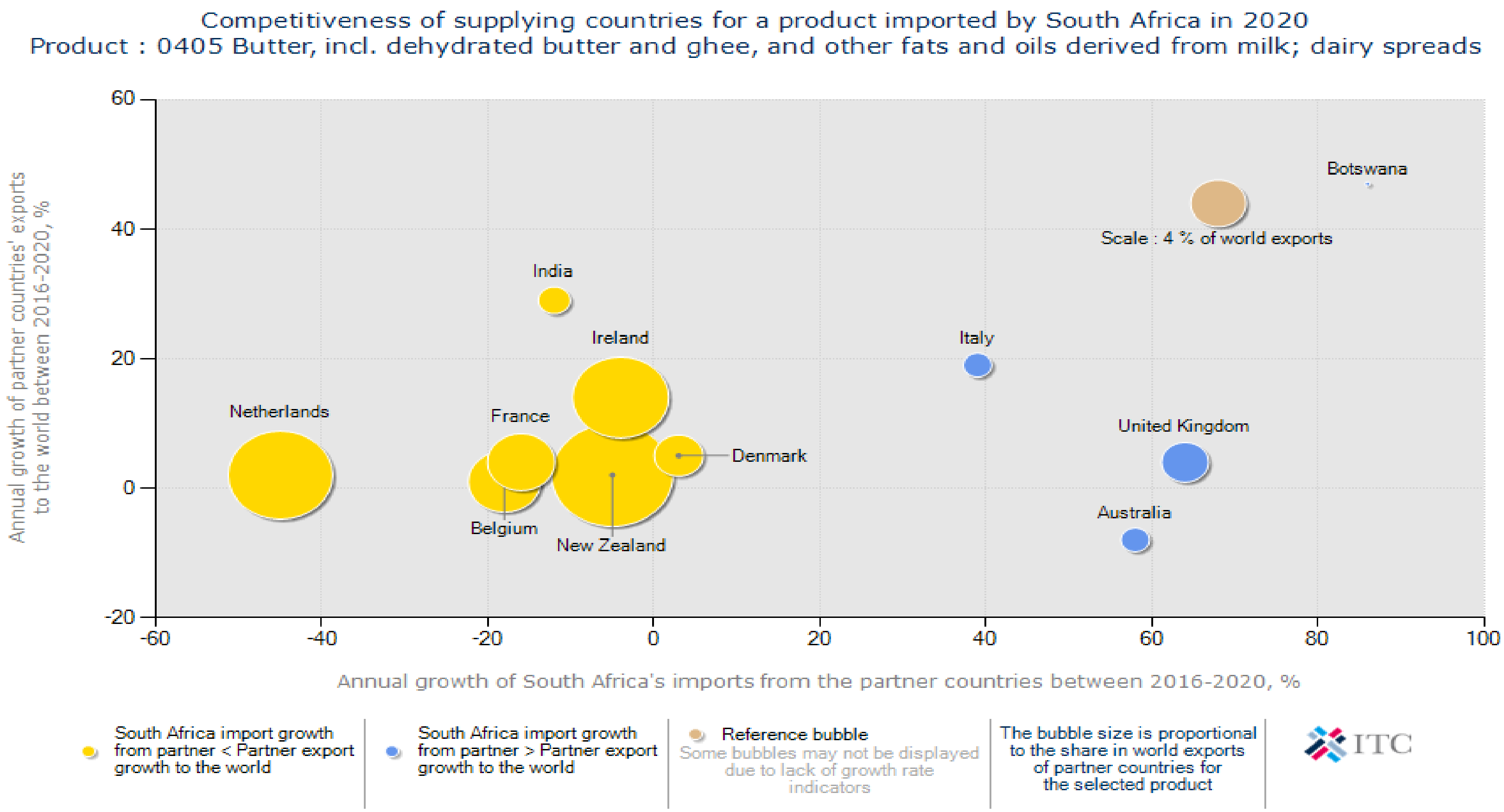
Source: ITC calculations based on COMTRADE statistics.

Table 23 shows that during 2020 South Africa imported 7 188 tons of butter and other fats, at an average value of US$4 232/unit. South Africa imported greater quantities of butter and other fats from UK, New Zealand and Ireland. The greatest share of South African butter and other fats imports originated from UK, which commanded 38.5% share during the year 2020, followed by New Zealand by 26.5% and Ireland by 21.1%.

South Africa's butter and other fats imports increased by 9% in value and 4% in quantity between the period 2016 and 2020. During the same period, imports of butter and other fats from UK increased by 64% in value and 52% in quantity while New Zealand decreased by 5% in value and 10% in quantity.

Between the periods 2019 and 2020, South Africa's imports of butter and other fats increased by 44% in value. During the same period, UK's butter and other fats exports to South Africa increased by 563% in value while imports from New Zealand increased by 16%.

Figure 46: Competitiveness of suppliers to South Africa for butter in 2020

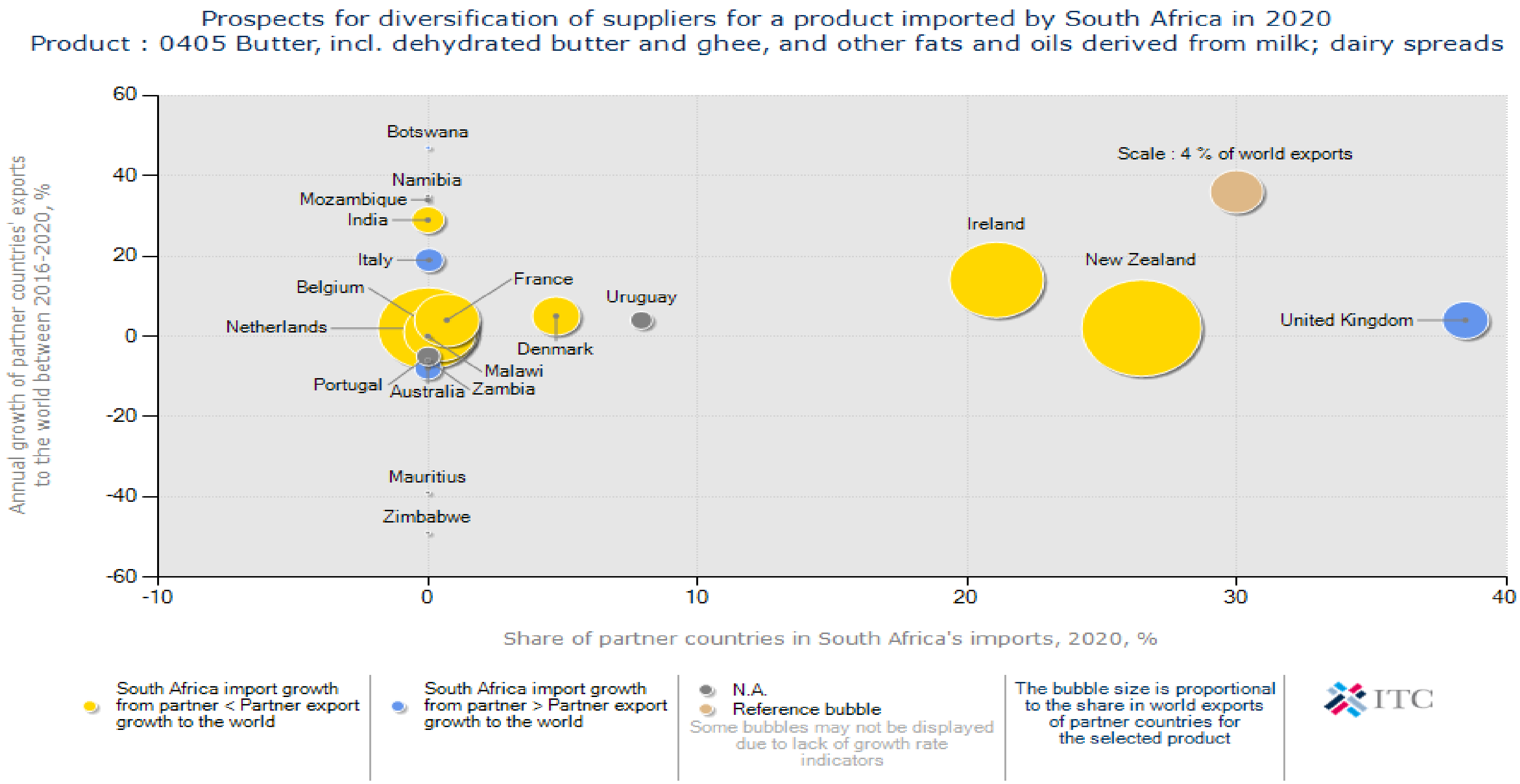


Source: ITC Trademap

Figure 46 illustrates that between 2016 and 2020 South Africa's butter and other fats imported from India, New Zealand, France, Belgium, Netherlands and Ireland were growing at a rate that is less than their export growth to the rest of the world.

During the same period, South Africa's butter and other fats imports from Italy, UK and Australia were growing at a rate that is greater than their exports to the rest of the world. Botswana is the most competitive supplier of butter and other fats because its annual growth was 47% and export of butter and other fats to South Africa was 86%

Figure 47: Prospects for diversification of suppliers for butter imported by South Africa in 2020



Source: ITC Trademap

Figure 47 illustrates that New Zealand is the main supplier of world's butter and other fats with a world market share of 22%. If South Africa wishes to diversify from New Zealand, Botswana will be the prospective supplier due to its export's annual growth to the world of 47%. It is a small market with a world market share of 0% but South Africa might have a chance to develop a new market.

14.2.6. Cheese and Curd

Table 24: List of supplying markets for the product imported by South Africa in 2020

South Africa's imports represent **0.1%** of world imports for Cheese and curd, its ranking in world imports is **77.**

Exporters	Indicators														
	Value imported in 2020 (USD thousand)	Trade balance 2020 (USD thousand)	Share in South Africa's imports (%)	Quantity imported in 2020	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2016-2020 (%, p.a.)	Growth in imported quantity between 2016-2020 (%, p.a.)	Growth in imported value between 2019-2020 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports growth in value of partner countries between 2016-2020 (%, p.a.)	Average distance between partner countries and all their importing markets (km)	Concentration of all importing countries of partner countries	Average tariff (estimated) applied by South Africa (%)
World	33256	4699	100	6872	Tons	4839	-10	-14	-29		100	5			
New Zealand	8813	-8812	26.5	2261	Tons	3898	10	7	-23	7	4	1	9213	0.12	6.5
Germany	6253	-6253	18.8	1590	Tons	3933	-10	-13	-37	1	14.5	6	1372	0.07	6.5
Italy	4630	-4630	13.9	557	Tons	8312	-2	-4	-26	3	10.7	8	2408	0.1	6.5
France	3456	-3456	10.4	591	Tons	5848	-11	-12	-19	4	10.6	2	2044	0.11	6.5
Denmark	2726	-2726	8.2	489	Tons	5575	2	3	-8	6	4.8	2	2639	0.09	6.5
Netherlands	1816	-1816	5.5	366	Tons	4962	-20	-27	-11	2	12.7	4	1654	0.15	6.5
United Kingdom	1676	-1675	5	271	Tons	6185	-32	-43	-17	12	2.5	6	2165	0.11	6.5
Austria	1184	-1184	3.6	300	Tons	3947	-12	-12	-54	13	2.2	6	1183	0.38	6.5
Australia	602	-602	1.8	91	Tons	6615	-19	-23	15	15	2	1	7637	0.21	6.5
Switzerland	497	-497	1.5	30	Tons	16567	11	7	-11	14	2.1	4	2086	0.23	6.5
Poland	468	-468	1.4	109	Tons	4294	-29	-36	-54	11	2.8	8	1461	0.06	6.5
Lithuania	434	-434	1.3	93	Tons	4667	0	-2	93	22	0.7	1	2395	0.17	6.5

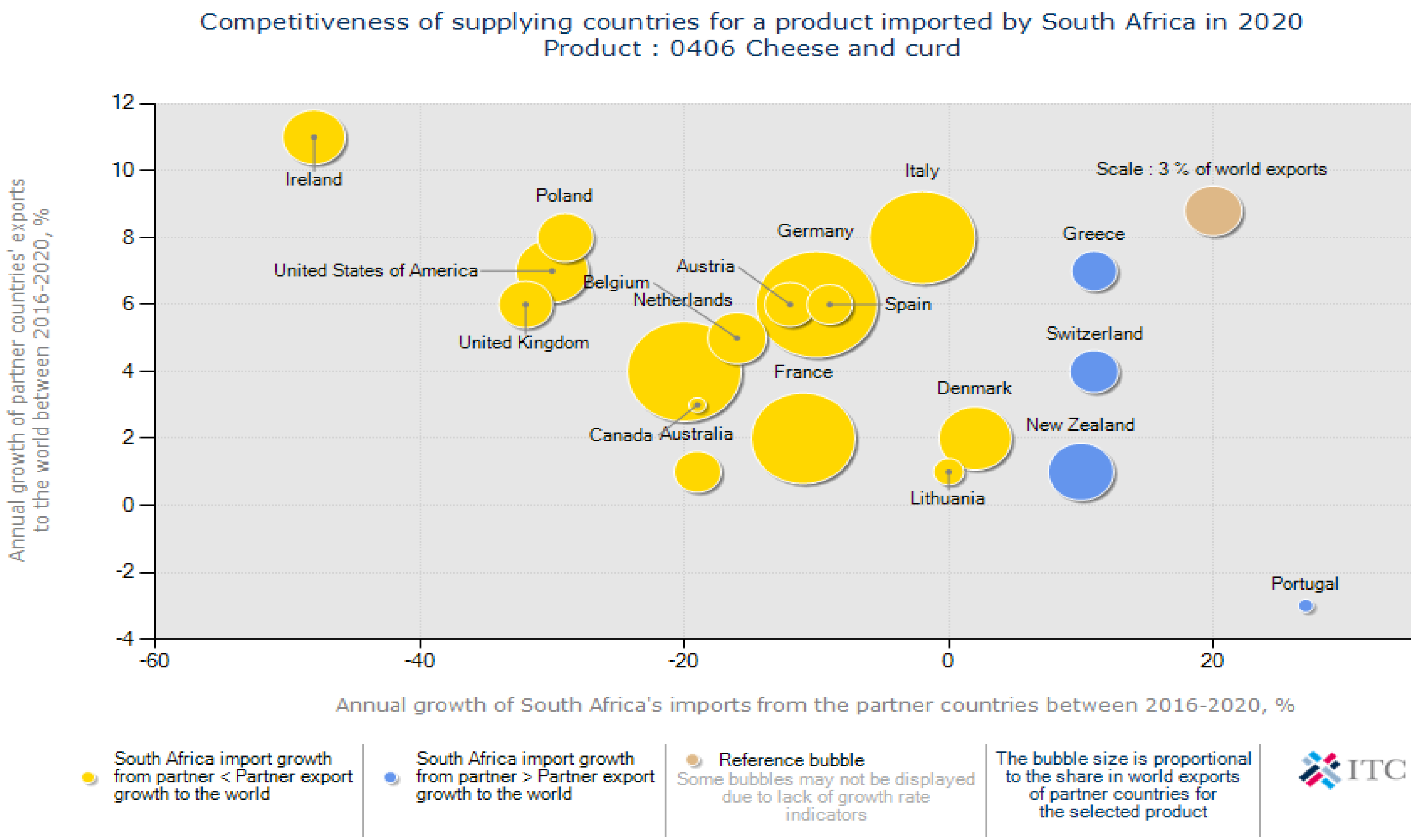
Source: ITC Trademap.

Table 24 shows that during 2020, South Africa imported 6 872 tons of cheese and curd, at an average value of US$4 839/unit. South Africa imported greater quantities of cheese and curd from New Zealand, Germany and Italy. The greatest share of South African cheese and curd imports originated from New Zealand which commanded 26.5% share during the year 2020 followed by Germany 18.8% share and Italy with 13.9%.

South Africa's imports of cheese and curd decreased by 10% in value and 14% in quantity between the period 2016 and 2020. During the same period, imports of cheese and curd from New Zealand increased by 10% in value and 7% in quantity. Imports from Germany decreased by 10% in value and 13% in quantity and imports from Italy decreased by 2% in value and 4% in quantity.

Between the periods 2019 and 2020, South Africa's imports of cheese and curd decreased by 29% in value. During the same period, New Zealand's cheese and curd exports to South Africa decreased by 23% in value. The imports from Germany decreased by 37% in value and those from Italy also decreased by 26%.

Figure 48: Competitiveness of suppliers to South Africa for cheese and curd in 2020



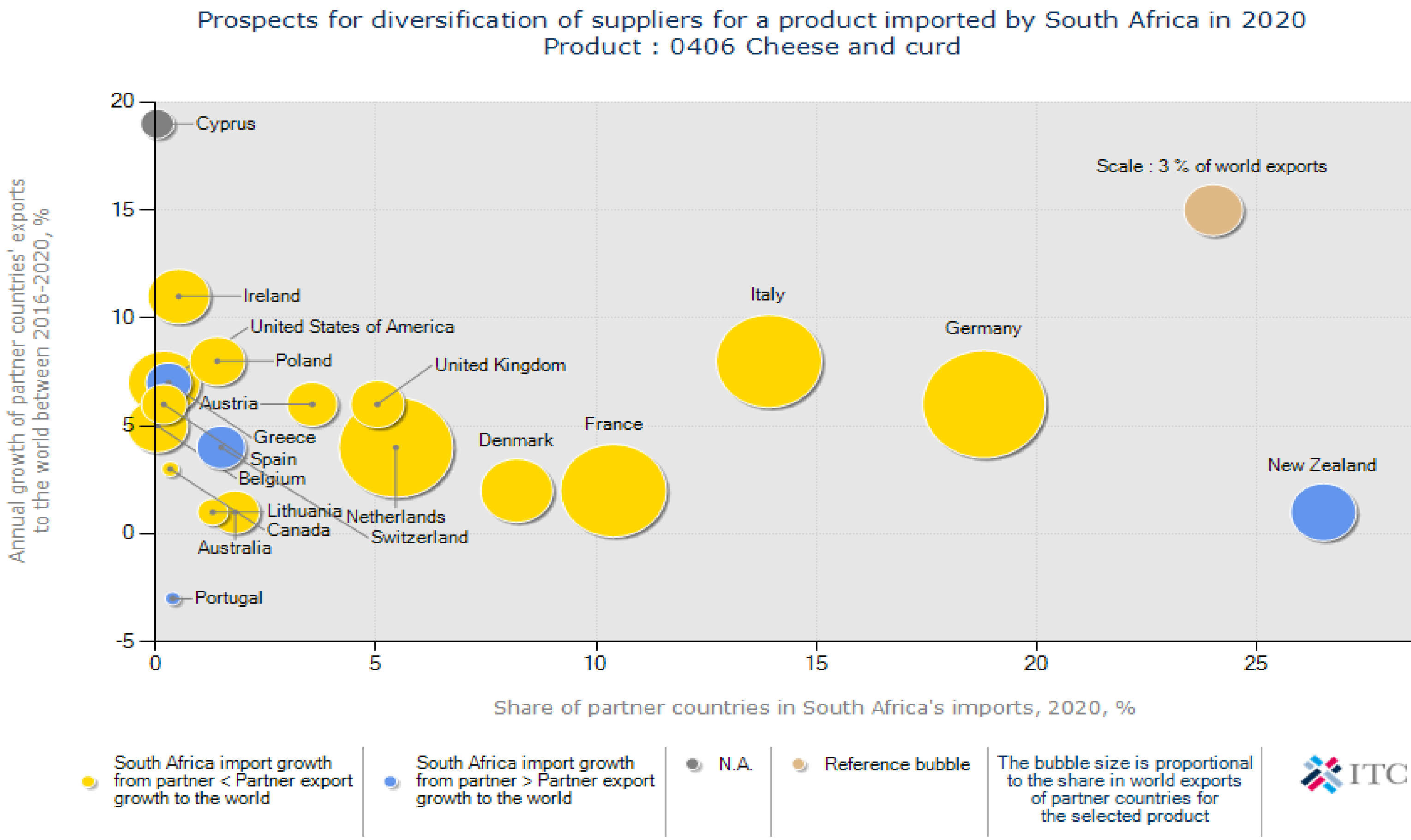
Source: ITC Trademap

Figure 48 illustrates that between 2016 and 2020 South Africa’s cheese and curd imported from Ireland, Denmark, France, Italy, United Kingdom, Spain, Poland, Netherlands, USA and Australia were growing at a rate that is less than their export growth to the rest of the world.

During the same period, South Africa’s cheese and curd imports from New Zealand, Greece and Switzerland were growing at a rate that is greater than their exports to the rest of the world.

The most competitive suppliers of cheese and curd is Ireland with the annual growth import shares of 11% during the period 2016 to 2020.

Figure 49: Prospects for diversification of suppliers for cheese and curd imported by South Africa in 2020



Source: ITC Trademap

South Africa’s imports of Cheese and Curd are from the biggest and fastest growing markets in the world, which are Germany, France, Italy and Netherlands. South Africa may expand its cheese and curd import market in Netherlands, France and Italy because their annual exports growth to South Africa are less than its annual exports growth to the world.

8. ACKNOWLEDGEMENTS

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12. Quantec.
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