

A PROFILE OF THE SOUTH AFRICAN ONION MARKET VALUE CHAIN

2021



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**agriculture, land reform
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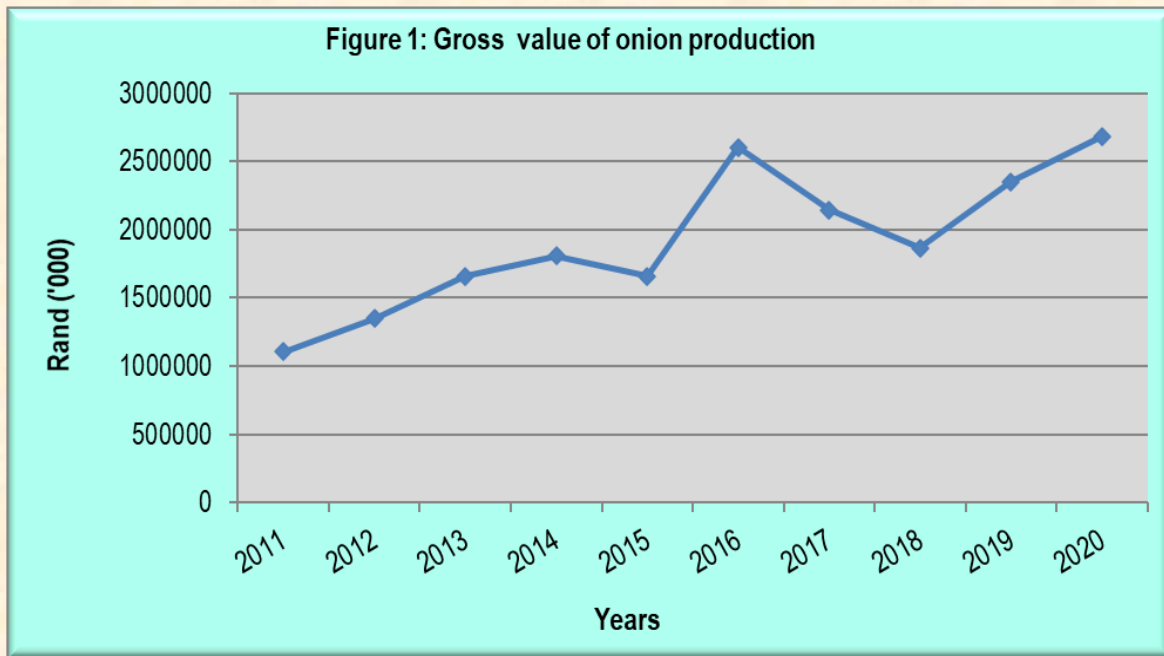
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1. DESCRIPTION OF THE INDUSTRY

Onions are the third most popular vegetable in South Africa, after potatoes being first and tomatoes second. Onion is widely used in cooking. They add flavour to dishes such as stew, soup and salads. Dry onion can be divided into two categories, which are fresh onion and storage onion. Fresh onions are available in late May or early June and can be purchased until the end November. These onions have higher water and sugar and lower pyruvate content. Consumers can recognize this onion by its lighter colour and thinner skin. The storage onion is available in the market in November just as the fresh onions are coming to an end. These onions have darker and much thicker skin than that of fresh onion. Storage onions are firm, compact and are much less susceptible to bruising and shipping damage. Both of these types are commercially available in three colours; red, yellow, and white. Onions contain phenolics and flavonoids that have potential anti-inflammatory, anti-cholesterol, anticancer and anticancer and antioxidant properties. Onions are a good source of vitamin C, an antioxidant and are essential for efficient uptake of iron. Onion is pungent when chopped and contain certain chemical substances which irritate the eyes.



Source: Statistics and Economic Analysis, DALRRD

Figure 1 above illustrates the contribution of the onion industry to the gross value of agricultural production from 2011 to 2020 period. During 2012, the onion industry contribution was 22% higher when compared to the previous year contribution. In 2013, a gross value substantially increased by 23%, when compared to the 2012 gross value. This can be attributed to a significant increase in producer price in the same year. The highest gross value was recorded in 2014, and the increase was 8.9% in comparison to the 2013 gross value. This can be ascribed to the combination of increased output and favourable producer price. In 2015, there was an 8% drop in onion gross value, when compared to 2014 value and this can be attested to a notable drop in producer price during the same year. During 2016, onion's gross value surged by 56.7% in comparison to 2015 gross value. The surge in gross value can be ascribed to a dramatic increase of 62% in the producer price. There was a notable drop of 17.6% in onion gross value relative to 2016 value of onion and this can

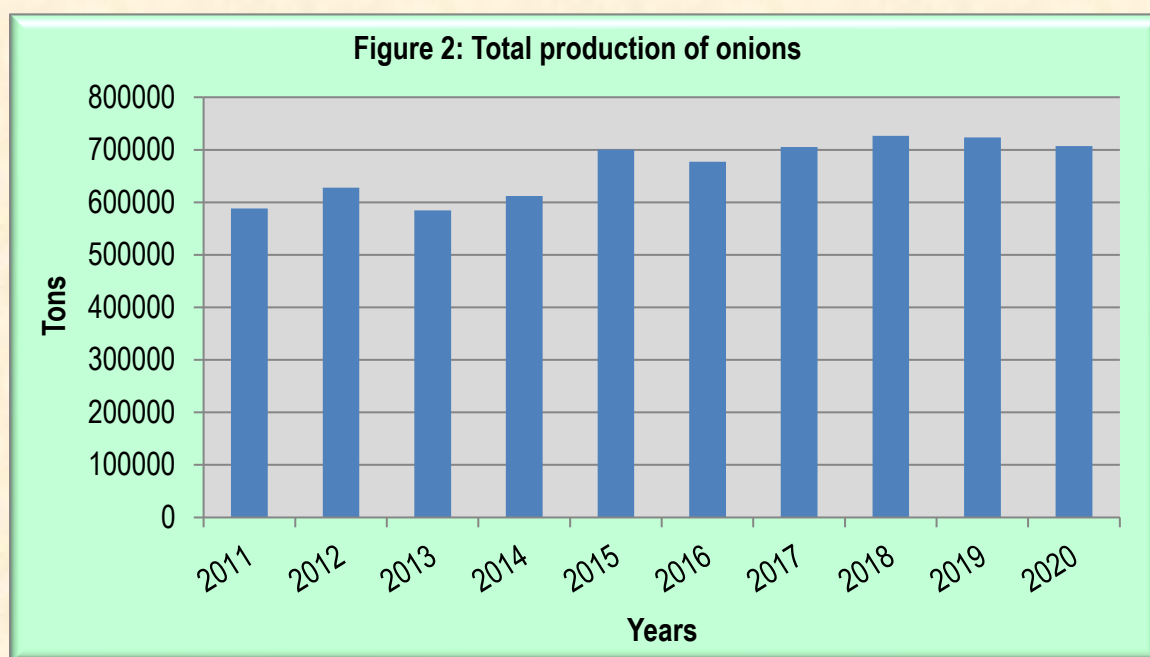
be attributed to a 20.8% decline in the producer price in the same year. As of 2018, onion gross value declined by 13% relative to 2017 gross value and this can be attested to unfavourable producer prices that occurred in the same year. In 2019, South Africa onion gross value increased by 26% in comparison to the 2018 gross value and this can be ascribed to favourable producer prices that occurred in the same year. As of 2020, the gross value of onions in South Africa increased by 14% compared to the gross value in 2019, which can be attributed to the positive producer prices in the same year.

1.1 Production areas

Onions are produced in almost all the provinces of the RSA, mainly in the Western Cape (Ceres), Northern Cape, North West and Limpopo province. According to the United Nations Food and Agriculture Organization (FAOSTAT 2020), the leading onion producing countries are China, India, Egypt, The United States, Iran, Turkey and Russian Federation respectively. Egypt is still the only African country, which is amongst the world's top 10 world onion producers.

1.2 Production trend

Figure 2 below illustrates the production of onions from 2011 to 2020.



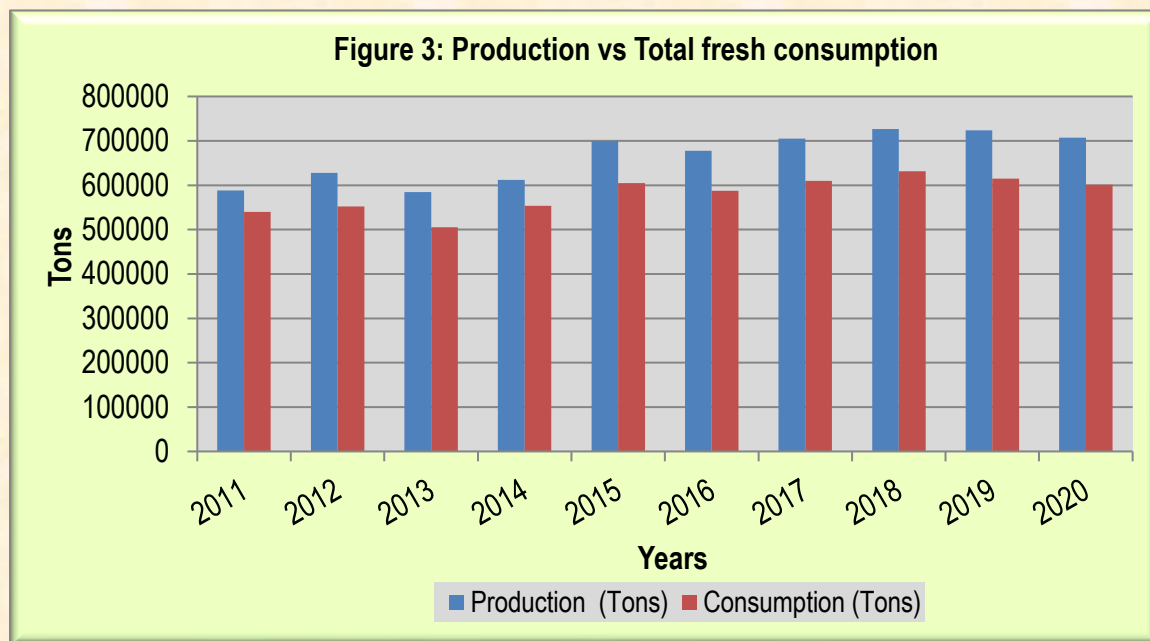
Source: Statistics and Economic Analysis, DALRRD

The production of onion was fairly unstable over the period under review. In 2011, production volume was just above 588 118 tons. During 2012, production output increased by 6.8% in comparison to the 2011 production output. In 2013, production output dropped by 6.8% when compared to the previous year output. Production output was just over 612 000 tons during 2014 and this represents a slight increase of 4.6% in comparison to 2013 production output. There was a notable increase of 14% during 2015 when compared to the previous year production output. In 2016, onion production

experienced a 3% decrement in comparison to the 2015 production volume. Onion production volume has been stable above 60 000 tons from 2014 to 2016. South Africa onion production output grew by 4% relative to the previous year (2016) production output. As of 2018, there was a 3% increment in South Africa's onion production output relative to the previous year (2017). During 2019, South Africa's onion production output declined slightly by 0.4% in comparison to the 2018 production output. South Africa's onion production output fell slightly by 2.3% in 2020 when compared to the 2019 production output.

1.2 Consumption

Figure 3 below depicts the local consumption of onion compared to the production over 10 years. South Africa is self-sufficient in terms of onion production and the surplus is also exported. In 2012, consumption volume increased by 2.2% when compared to the previous year's consumption and in 2013 consumption volumes dropped by 8.5%. Globally, Libya has the highest consumption of onions. 2014 average consumption value represents a growth of 6.3%. During 2015, consumption was 604 640 tons, which represents a 9.3% increase in consumption volume when compared to the previous year. South Africa's onion consumption has slightly dropped by 2.8% to 587 193 tons and this can be ascribed to a 3.2% decrement in the production volume during the same period. During 2018, South Africa onion consumption increased by 3.6% relative to 2017 consumption and this can be attributed to a 3% increment in production output. South Africa's onion consumption volume decreased by 2.6 percent in 2019, due to a 0.4% decrease in production output. Consumption volumes fell by 2.2% in 2020, which can be attributed to a 2.3% decline in production output.



Source: Statistics and Economic Analysis, DALRRD

2. MARKET STRUCTURE

The onion industry operates in a deregulated environment where the prices are determined by the forces of demand and supply and there are no restrictions in the marketing on onions. The industry uses fresh produce markets, informal market, processors and direct selling to wholesalers and retailers as marketing channels. Onions are also exported to other countries through export agents and marketing companies. South Africa also imports onions from other countries.

2.1 Domestic markets and prices

The various modes through which onions are marketed are presented in Table 1.

Table 1: Onion sold through different marketing channels

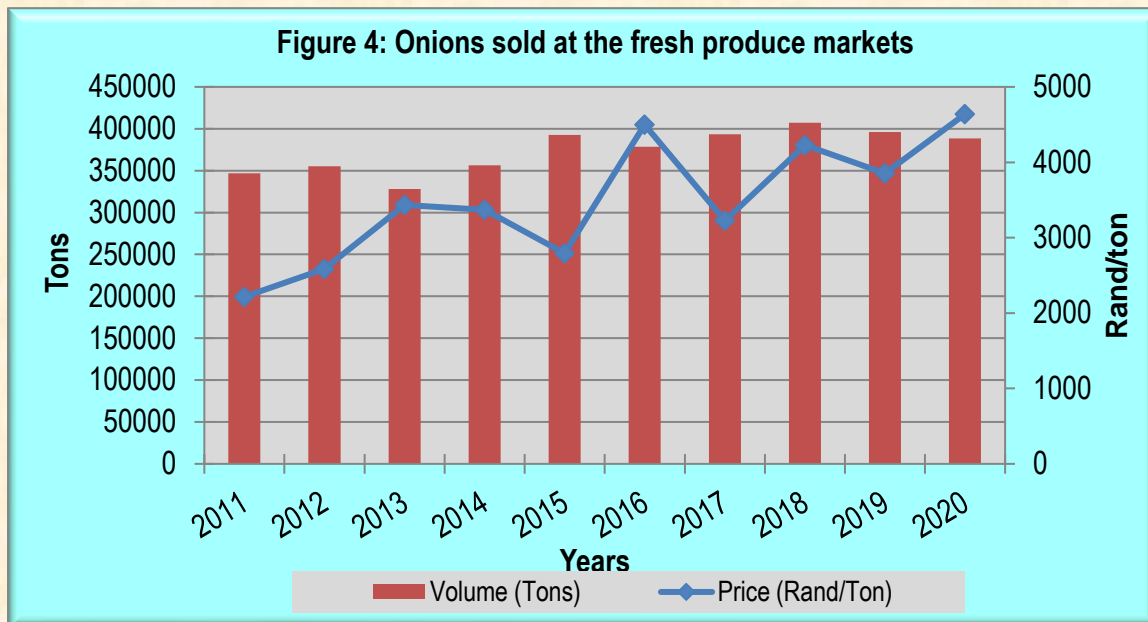
Years	National Fresh Produce Market (Tons)	Exports (Tons)	Total Processing (Tons)
2011	346 675	120 452	4 056
2012	355 390	98 791	3 177
2013	327 974	87 569	2 147
2014	356 366	97 768	3 745
2015	392 623	108 750	4 493
2016	378 661	104 178	5 524
2017	393 306	106 148	6 144
2018	410 121	105 788	5 629
2019	396 087	128 227	4 726
2020	388 312	119 293	4 895

Source: Statistics and Economic Analysis, DALRRD

Table 1 above illustrates that National Fresh Produce Markets remain an important channel for the sale of onions in South Africa. In 2020, 55% of onions were distributed through fresh produce markets and the remaining 45% represent direct sales to wholesalers, retailers, exports, processors and informal traders. The sales volume sold through the national fresh produce market has decreased by 1.9% when compared to 2019. During the same year, the onion export has decreased by 6.9% compared to the previous year, while the processed onion has notably increased by 3.5%. The increment in processing volume can be attributed to a 1.9%% decline in volume sold at the fresh produce market.

Figure 4 below illustrates that in 2011, onion volume supplied at the fresh produce market was just above 346 675 tons. During 2012, market price increased by 16.6%, when compared to market price in the previous year. The market price has gone up despite a 2.5% increase in volumes supplied across the market, which can be attributed to strong onion uptake in the same season. In 2013, the market price surged by 32.75%, when compared to the 2012 price and this can be attributed to a 7.7% drop in volumes supplied across the market. There was an 8.6% increase in onion volume supplied in 2014 and this had a slight negative impact on the market prices. During 2015, the market price notably dropped by 17% in comparison to the 2014 price and this can be ascribed to a 10%

increase in onion volume supplied at the markets. In 2016, onion prices surged by 60% in comparison to the 2015 onion prices and the surge in prices can be ascribed to a 3.5% decline in the volume of onions supplied at the markets. During 2017, there was a 3.9% increase in onion volume supplied at the market and this has negatively impacted on the market price by 39.5% relative to 2016 market price. As of 2018, there was a sharp increase of 31% in onion market price, despite a 4% increment in volume supplied at the market and this can be ascribed to strong onion demand in the same year. During 2019, onion price declined by 8.8% despite a 2.6% decline in volume supplied at the market and this can be attested to poor uptake of onion. In 2020, there was a 1.9% decrease in onion volume supplied at the market, resulting in a 20% increase in market price.

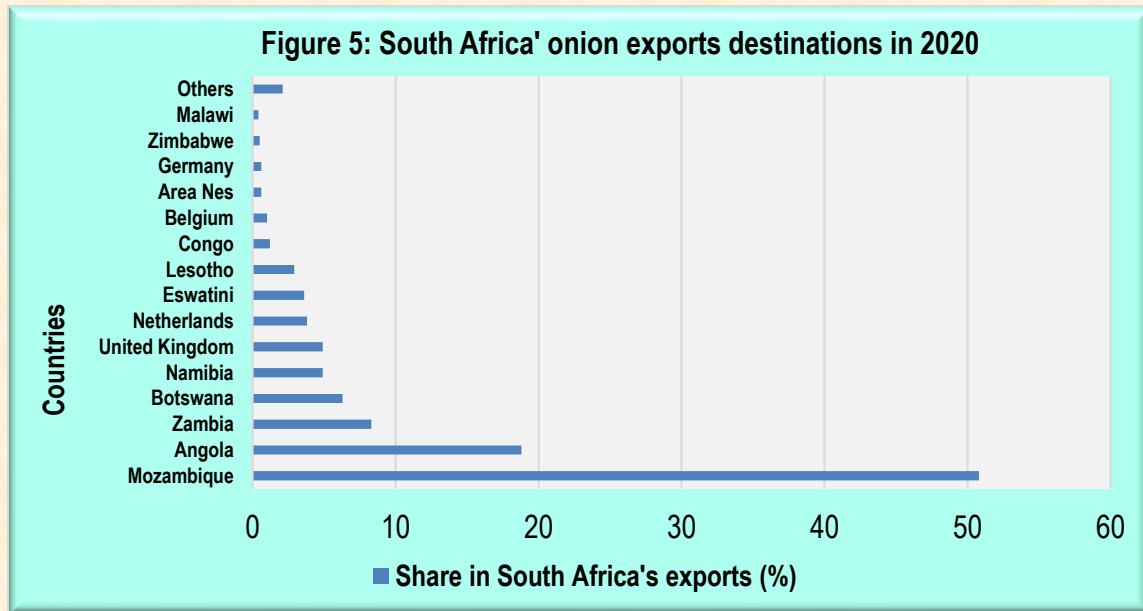


Source: Statistics and Economic Analysis, DALRRD

2.2 South Africa Onion Exports

In 2020, South Africa's onion exports represented 0.8% of world exports and its ranking in the world exports was still 22. South Africa has lost competitiveness in terms of onion exports to the world. The South African onion exports were still mainly destined for Mozambique, Angola, Botswana, Zambia, Eswatini, Belgium, United Kingdom and Namibia during 2020. More than 85% of South African onions were exported to African countries. Figure 5 below illustrates the major onion export destinations. Globally, the Netherlands, India, China, Mexico, the United States of America, Spain, Pakistan, Egypt, and New Zealand are the top countries exporting onions. Egypt is still the only African country that is among the top ten onion exporters in the world and this can be attributed to the fact that it is also among the biggest onion producers in the world. Figure 5 presents the various destinations for South Africa's onion exports in 2020.

Figure 5 below illustrates South Africa's onion export destinations in 2021-2020.



Source: Trade Map

Further details relating to the exports of onion 2021-2020 are presented in Table 2.

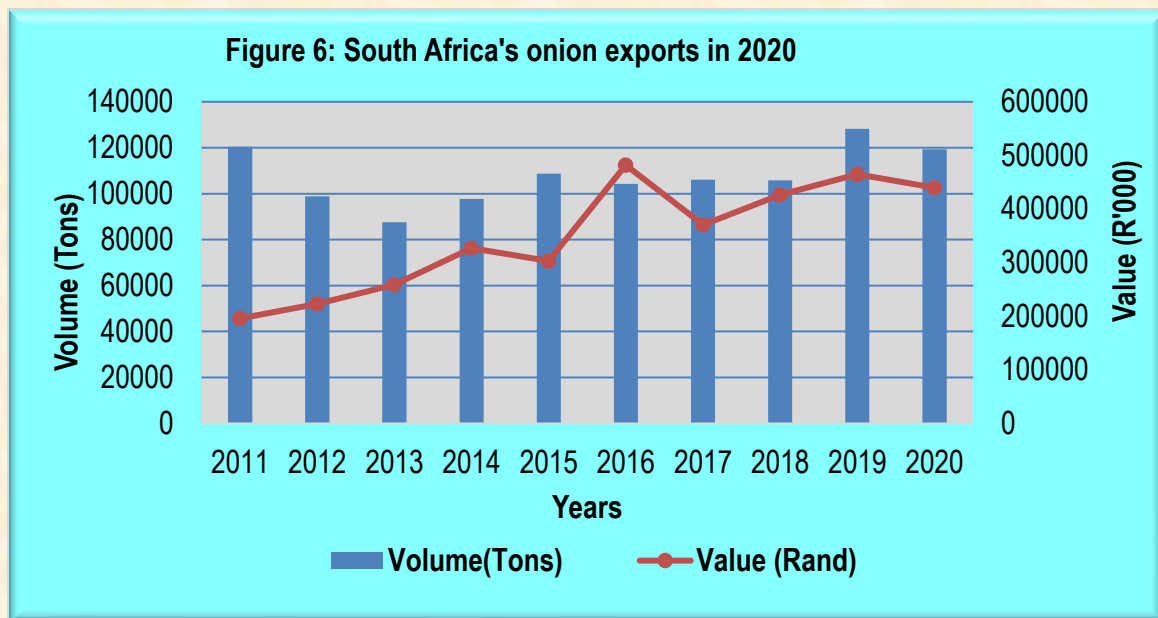
Table 2: South Africa's onion exports in 2021-2020

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in South Africa's exports (%)	Quantity exported in 2021 (tons)	Growth in exported value between 2017-2021 (% p.a.)	Growth in exported quantity between 2017-2021 (% p.a.)	Growth in exported value between 2020-2021 (% p.a.)
World	31093	29156	100	124807	0	5	16
Mozambique	15808	15808	50.8	79206	3	10	17
Angola	4087	4087	13.1	14723	-12	-8	-5
Botswana	2041	2041	6.6	5899	-2	-1	2
Zambia	1907	1907	6.1	6031	-5	-7	-28
Eswatini	1361	1361	4.4	7036	10	8	9
Belgium	1271	1271	4.1	977			
United Kingdom	1197	1197	3.8	2420	856		
Namibia	1130	-203	3.6	3053	-1	1	-5
Lesotho	964	964	3.1	2494	0	2	2
Mauritius	344	344	1.1	694	67	77	38
Netherlands	282	-3	0.9	540	399	422	1653
DRC	177	177	0.6	450	9	8	462

Source: ITC Trade Map

Table 2 above indicates that during ~~2021~~2020, South Africa exported higher quantities of onions to Mozambique, Angola, Botswana and Zambia. South Africa also exported a considerable percentage to Eswatini, Belgium, United Kingdom and Namibia. Mozambique has commanded the 50.8% share of South Africa's onion exports and Angola has recorded an 13.1% share. South Africa's onion exports to Angola have declined by 12% in value and by 8% in quantity between 2017 and 2021. South Africa's exports to Mozambique have increased by 3% in value and by 10% in quantity between the 2017 and 2021 period. South Africa's onion exports to Botswana have decreased by 2% in value and 1% quantity between 2017 and 2021 period. South Africa has mainly traded within SADC and SACU countries (Mozambique, Angola, Zambia, Botswana and Eswatini)

Figure 6 below illustrates onion exports from South Africa for the past 10 years.

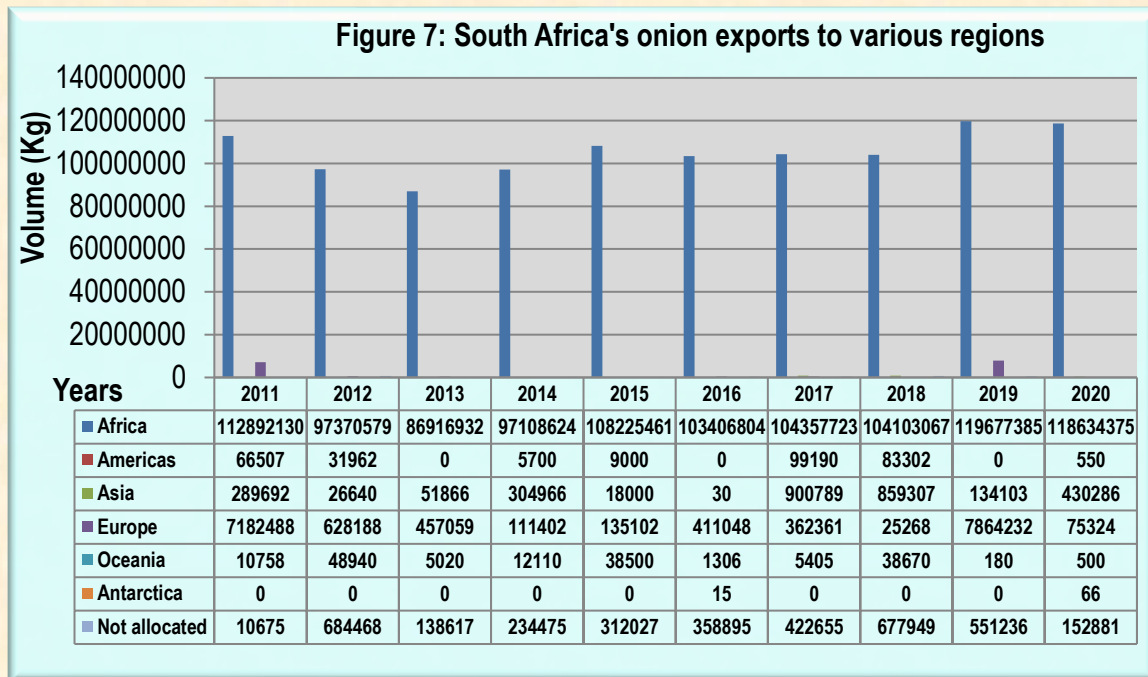


Source: Quantec Easydata

* Quantec Easy data has revised its export data to reflect SACU export from 2010

Figure 6 above illustrates onion exports from South Africa for the past 10 years. In 2011, South Africa exported a record low onion volume of 120 400 tons. As of 2012, onion exports volume dropped by 17.9% when compared to 2011 onion export, despite a 6.8% increase in domestic onion production. During 2013, export volume fell by 11.5%, when compared to the previous year export and this can be attributed to a 6.85% drop in domestic production output. From 2011 to 2014, it was more profitable to export onion since higher export values were recorded for smaller volumes exported. In 2014, it was the most profitable year to export onion during the 10 years. South African onion exports were just above 97 700 tons during 2014 and this represents an 11.6% increment in onion exported in 2013. During 2015, there was an 11% increase in onion exports, when compared to the 2014 export volume and this increase can be attributed to 14% in the domestic onion output. In the same year, it was less profitable to export onion in comparison to 2014 export earnings. During 2016, South Africa's onion export volume dropped by 4.2% when compared to 2015 export volume. In the same year, it was relatively more profitable to export onion when compared to the other years. As of 2017, South Africa's onion export grew slightly by 1.9% onion export and it was relatively less profitable to

export onion relative to 2016. As of 2018, South Africa's onion export declined slightly by 0.3%, when compared to 2017 exports. In 2019, South Africa's onion export increased notably by 21% and it was more profitable to export onion relative to 2018 export value. As for 2020, South Africa exported 6.9% more onions and it was more profitable to export onion when compared to the 2019 export volume.

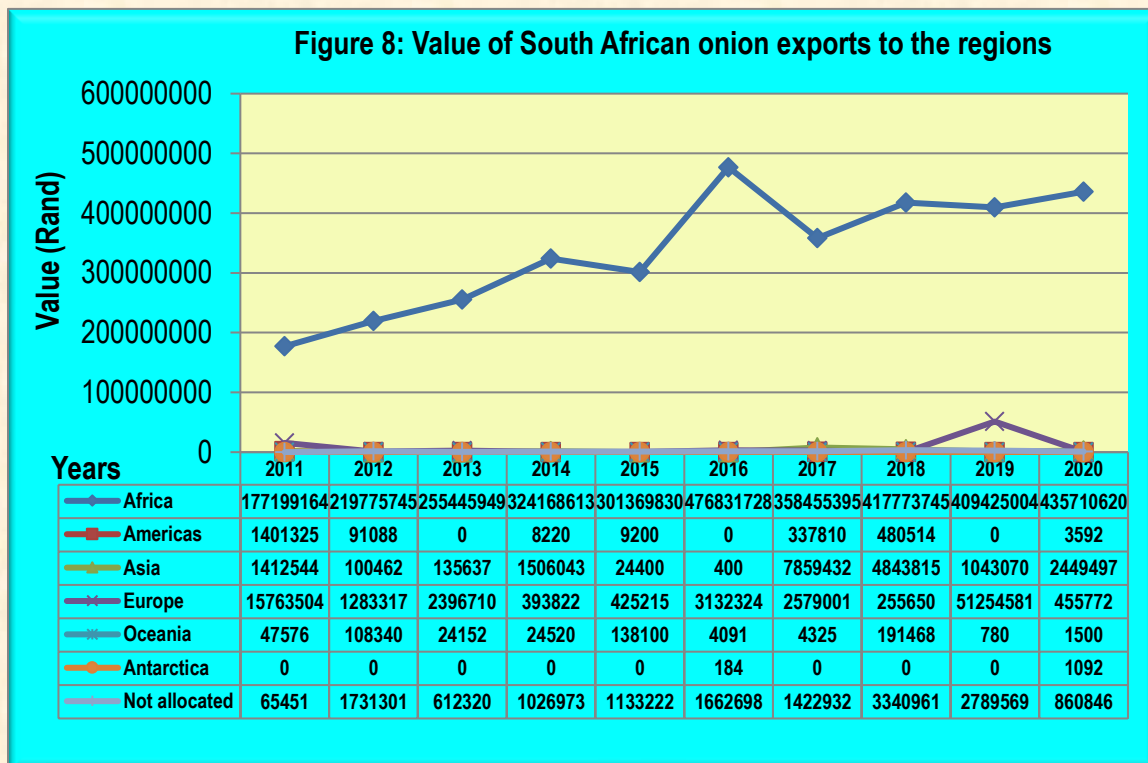


Source: Quantec Easydata

Figure 7 above illustrates South Africa's onion exports to the regions from 2011 to 2020 period. The primary export market for South Africa's onion exports is mainly in Africa and European regions. A fraction of South Africa's onion exports was not allocated to any region during the period under review. During 2012, African region continued to be a primary market for South Africa's onion exports and more than 98% of South Africa's exports were destined for this region. In the same year, there was a significant drop in volumes exported to the European region and the exports to Oceania regions have significantly increased. South Africa's onion exports to the Americas and Asia has significantly dropped in 2012, while export to Antarctica has notably increased. Africa region continued to be the preferred export market for onion exports originating from South Africa. However, there was diversification in export destinations during the 2013. South Africa exported onion to Botswana, Lesotho and Swaziland. Exports to African, Asia and Oceania regions have notably increased during 2014. At the same time, onion exports to Europe have notably dropped. During 2015, Africa region was still by far the primary market for onion exports from South Africa. There was also a notable increase in exports destined for Europe, Oceania and unallocated export volume has notably increased. In 2016, Africa and Europe regions were still the largest recipients of South Africa onion exports, while onion exports to Asia and Oceania have substantially dropped. At the same time, the unallocated export volume increased by 15% in comparison to the 2015 export volume. In 2017, Africa region was by far still the primary recipient of South Africa's onion export, a notable volume of export was also destined for Asia, Europe and America. In the same year, the unallocated export volume grew by 17.7% relative to the previous year (2016). As of 2018, Africa region was still

by far the primary recipient of onion originating from South Africa, followed by Asia, Americas, Oceania and Europe. At the same time, there was a sharp increment of 60% in unallocated exports. South Africa onion export to Africa grew by 14.9% during 2019 and export to Europe was incomparably higher relative to the 2018 exports. At the same time, exports to Asia dropped by 84% and unallocated export declined by 18%. As of 2020, Africa region was still by far the primary export market for onion originating from South Africa, exports destined for Asia were incomparably higher compared to 2019. At the same time, there was a notable increase in unallocated export and the export to Europe region have substantially dropped relative to the 2019 export volume.

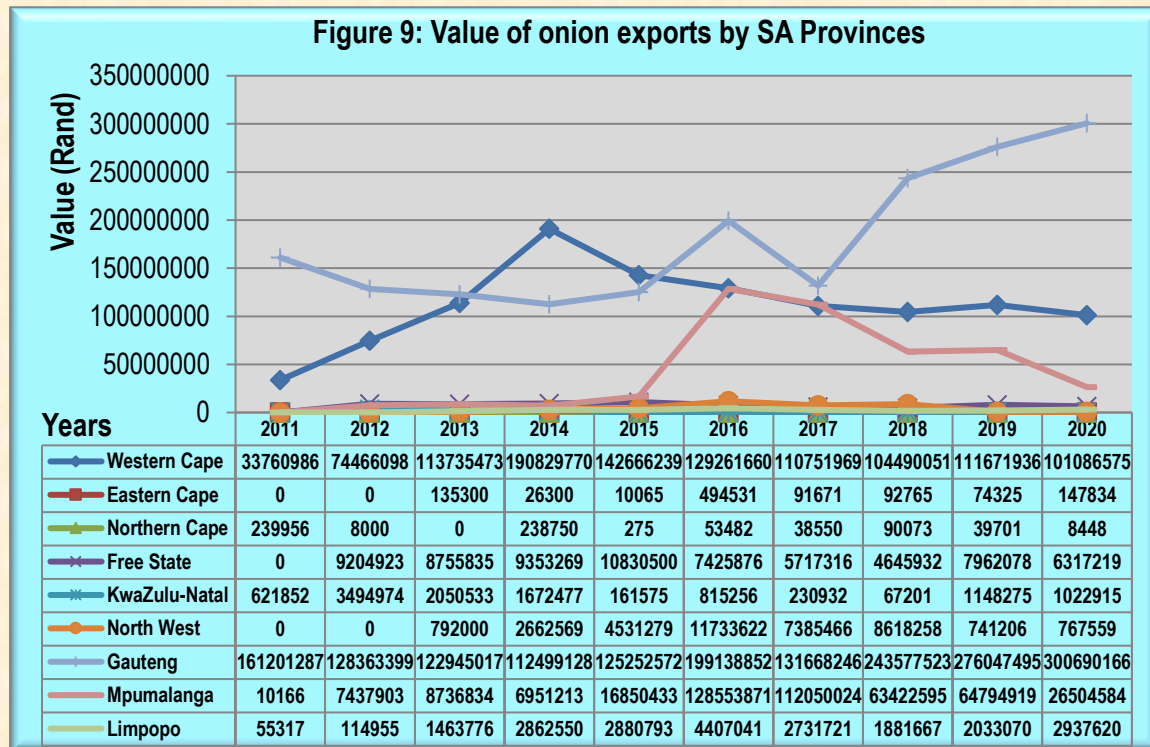
Figure 8 below illustrates the value of South African onion exports to the regions.



Source: Quantec Easydata

Figure 8 above shows the value of South Africa's onion exports to the various regions from 2011 to 2020. In 2012, it was more profitable to export onion to Asia followed by Americas region. The European region was still the most profitable export market, followed by Oceania region during 2013. At the same time unallocated onion exports had a higher value and the least profitable export market was Asia region. In 2014, the European region was by far the most profitable export market, followed by Asia then African region. In the same year, America was the least profitable export market for onion exports originating from South Africa. During 2015, unallocated exports had a higher value. In the same year, Oceania export market was more profitable, followed by Europe and Africa region. In 2016, onion exports to Europe region were still more profitable in comparison to onion exports destined to Africa region. As of 2017, onion exports destined to Asia had fetched higher export value, followed by exports to Europe and Africa region, whilst Oceania market was least profitable. As of 2018, it was still more profitable for South Africa to export onion to Europe region, followed for Americas and Asia region. At the same time, unallocated onion export had higher value, whilst onion

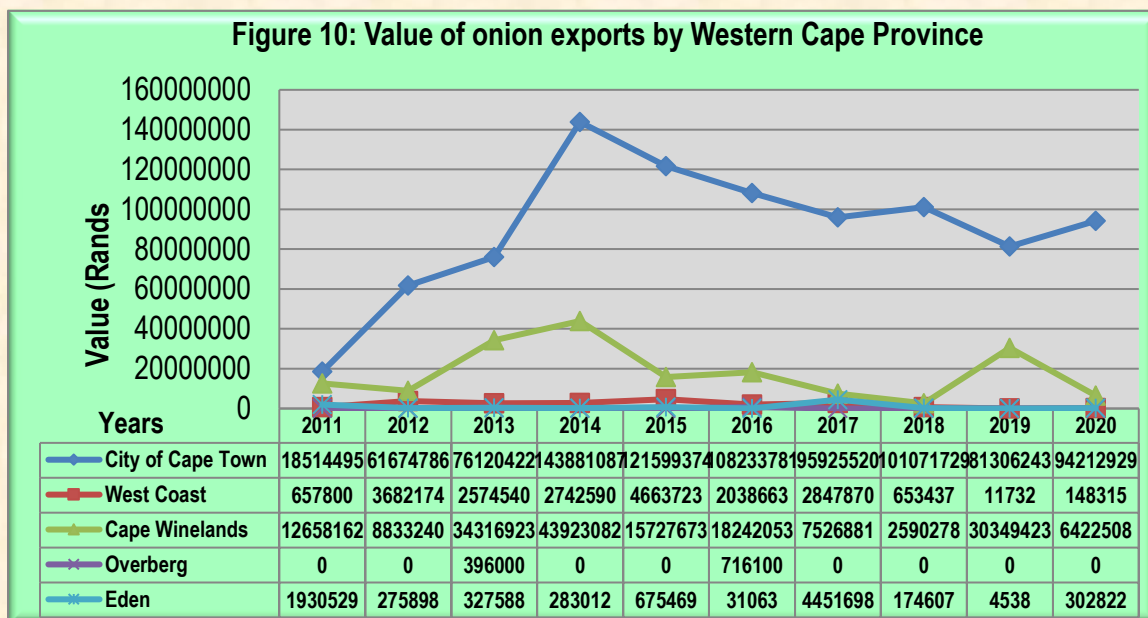
exports destined to Africa region were least profitable. In 2019, Asia region was the most profitable export market for onions originating from South Africa, followed by the Europe region whilst onion destined to Africa had lesser export value. As of 2020, America region was the most profitable export market for onion exported from South Africa, followed by Europe region, Asian region and Export destined to the Africa region recorded lower export value.



Source: Quantec Easydata

Figure 9 above illustrates the value of onion export by South African provinces. During 2012, Western Cape and Gauteng continued to lead in onion exports from South Africa. In the same year Free State, North West and Mpumalanga, have significantly contributed to South Africa's onion exports. In 2013, Western Cape and Gauteng have continued to contribute significantly to South Africa's onion exports and the export values have considerably increased. In the same time export values for Northern Cape, Limpopo, and Mpumalanga, have substantially increased, while Eastern Cape has recorded an export value after eight years of recording zero onion trade. Western Cape has recorded the highest value during 2014, while Gauteng export value has gone down. At the same year, Eastern Cape export value notably dropped while Northern Cape, North West and Limpopo export values have significantly increased. In 2015, there was a notable drop in export values for Western Cape, Northern Cape, KwaZulu Natal and Northern Cape, while the export values for Free State, North West and Gauteng and Mpumalanga have significantly increased. The notable increase by Free State, Mpumalanga and North West can be attributed to an increase in onion export to the neighbouring countries. In 2016, onion export values recorded for Mpumalanga, Western Cape, Eastern Cape, KwaZulu Natal and North West export shares have surged, when compared to 2015 export value, while Gauteng and Free State export values experienced a notable decrement. As of 2017, there were sharp declines in Eastern Cape, KwaZulu Natal, Limpopo, North West and Gauteng export values. At the same time, Western Cape onion export value has declined by 14.6%, Northern

Cape eased lower by 27.9%, Free State export value dropped by 23.4% whereas Mpumalanga export share has gone down by 9.9% relative to 2016 export values. As of 2018, Gauteng province was still the primary exit point for South Africa's onion export and the export value rose by 85%, Western Cape and Mpumalanga have contributed notably onion exports however, their export values have dropped by 5% and 43% respectively. At the same time, KwaZulu Natal's export value grew by 70%, North West export value increased by 16%, whereas Limpopo and Free State province have experienced decrement in export value of 31% and 18% respectively. In 2019, Gauteng was still by far the primary exit point for South Africa's onion exports and the export value rose by 13%, Western Cape export increased by 6.8% and Limpopo export value eased higher by 8%. In the same year, Free State and KwaZulu Natal export values surged whilst North West onion export declined sharply by 91% when compared to 2018 export values. Gauteng was by far the largest exit point for South Africa's onion exports in 2020, with export value up by 8.9%, Western Cape export value dropped by 9.5%, and Limpopo export value grew by 44%. At the same time, Mpumalanga, Free State, and KwaZulu Natal onion exports dropped, while North West onion exports rose by 3.6% relative to the 2019 export values. The following figures (Figure 10-18) show the value of onion exports from the various districts in all the provinces in South Africa. Figure 10 below illustrates the value of onion export by Western Cape province.

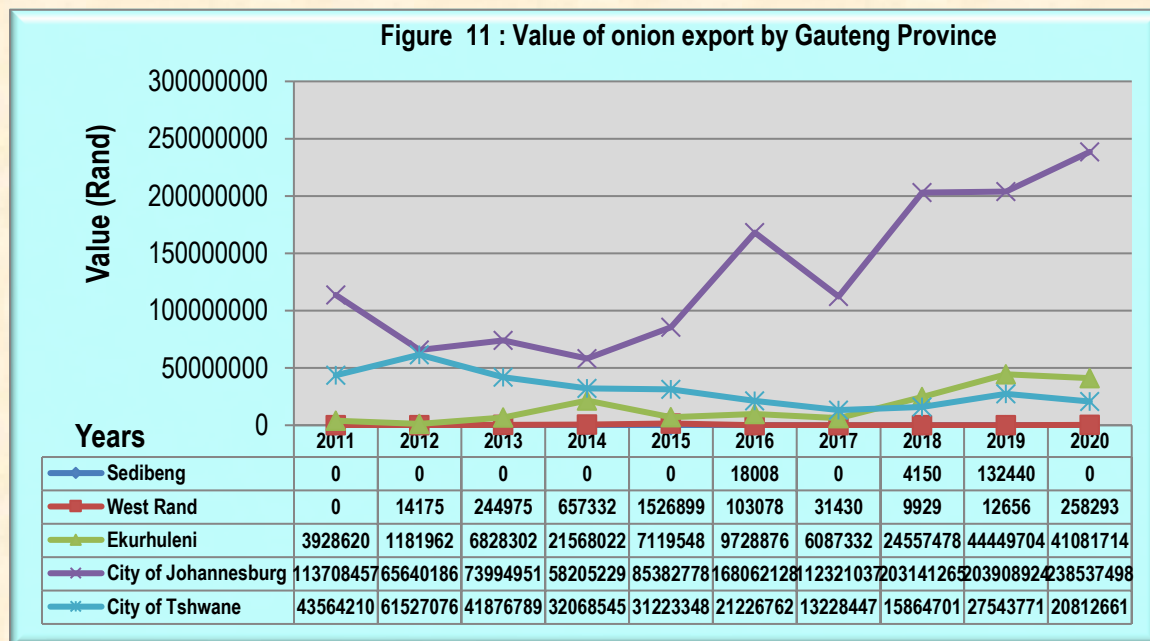


Source: Quantec Easydata

Figure 10 above indicates that onion exports from Western Cape province were mainly from the City of Cape Town and Cape Winelands district municipalities. High exports from Cape Town municipality can be attributed to the Cape Town harbour export exit point. During 2012, West Coast, Eden and Cape Winelands have contributed significantly to Western Cape onion exports. In 2013, the City of Cape Town has continued to contribute significantly to onion exports from Western Cape and the export values for Eden, Cape Winelands and Overberg have substantially increased when compared to the 2011 export values. A record high export value was recorded in 2014 for Western Cape province and it was exported through the City of Cape Town. At the same time, Cape Winelands has also recorded high export value while Eden export value has notably dropped. During 2015, there

was a sharp decline in onion export values for the City of Western Cape and Cape Winelands. At the same time, Eden and West Coast export values have surged when compared to the previous year export values. In 2016, City of Cape Town was still the main contributor to Western Cape onion exports however, the export value has drastically dropped in comparison to 2015 export value. At the same time, Cape Winelands and Overberg export values have notably gone up, while West Coast and Eden onion export values has experienced a decrement. As of 2017, City of Cape Town and Cape Winelands were still the primary exit points for Western Cape onion exports, however the export values have dropped by 6.6% and 68.8% respectively. During the same year, Eden export value surged and West Coast export value eased higher by 39.7% relative to 2016 export value. The overall Western Cape onion export value has dropped by 14% in comparison to 2016 and this can be ascribed to a 47% decline in onion export value destined to neighbouring Namibia. In 2018, City of Cape Town was still by far the primary exit point for Western Cape onion export and the export value has increased by 5.4%, Cape Winelands export value has drastically dropped by 65%, West Coast export value declined by 77% and Eden export value has gone down by 96% relative to 2017 export values. As for 2019, City of Cape Town was still the primary exit point for Western Cape onion export; however, the export value sharply declined by 98% and Cape Winelands export value was incomparably higher relative to the 2018 export value. For 2020, City of Cape Town was still the primary exit point for Western Cape onion exports, and the export value rose by 15.8% while Cape Winelands export value decreased drastically by 78%.

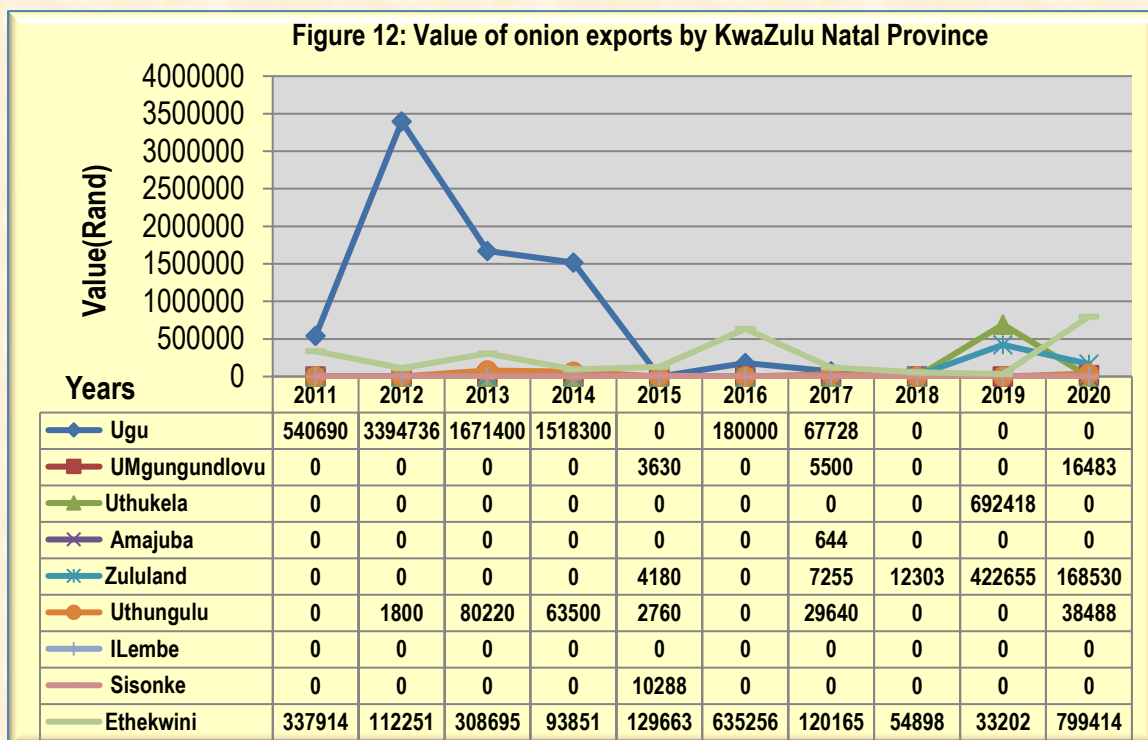
Figure 11 below illustrates the value of onion export by Gauteng province.



Source: Quantec Easydata

Figure 11 above shows that onion exports by Gauteng province were mainly from the City of Johannesburg, Ekurhuleni and City of Tshwane. OR Tambo International Airport serves as exports exit point from Gauteng province. In 2012, City of Johannesburg export value has notably dropped in comparison to 2011 onion exports. In the same year the City of Tshwane export value has significantly increased. During 2013, City of Johannesburg, Ekurhuleni and West Rand onion export

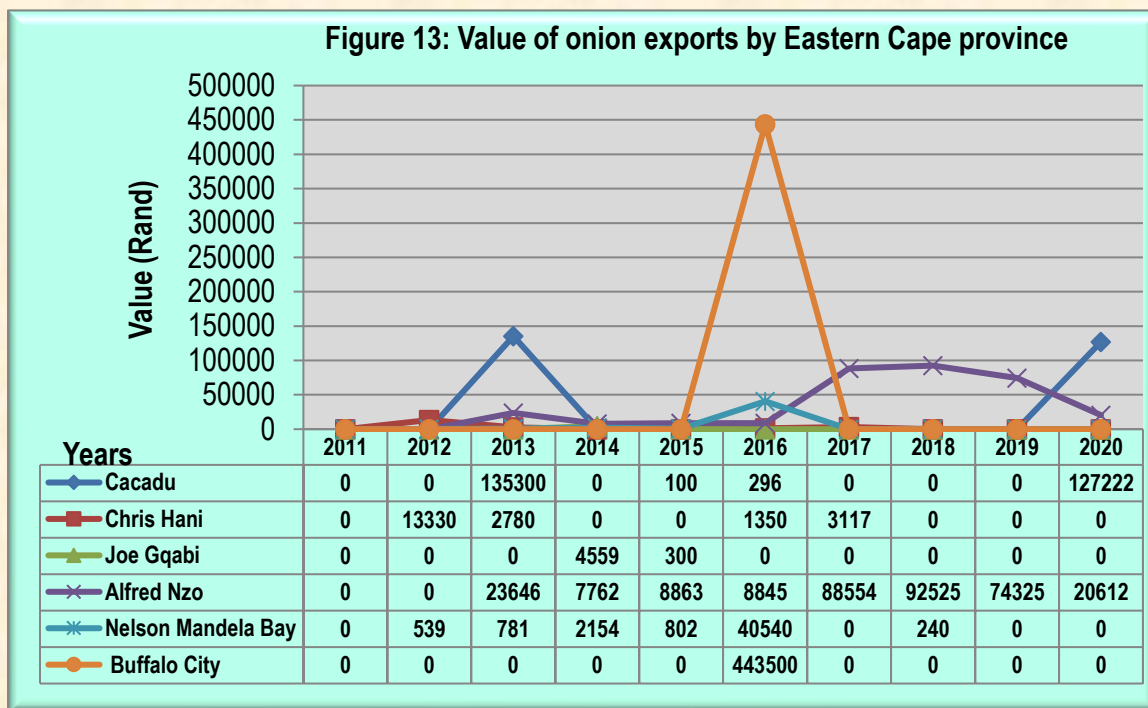
values have notably gone up when compared to 2012 export values. During 2014, City of Johannesburg and the City of Tshwane were still the main contributors to Gauteng onion exports, but the export values have dropped in comparison to 2013 export values. At the same, Ekurhuleni and West Rand have export value have notably increased when compared to the previous year export values. In 2015, West Rand and City of Johannesburg export values have significantly increased, while the export values for Ekurhuleni and City of Tshwane have sharply dropped in comparison to the previous year. During 2016, City of Johannesburg onion export value surged, West Rand and Ekurhuleni export values have also notably increased. At the same time, City of Tshwane export value has notably dropped, while Sedibeng district contributed for the first time in ten years to Gauteng provincial onion exports. As of 2017, City of Johannesburg was still by far the primary exit point for Gauteng onion export however, the export value decreased by 35%, West Rand has experienced a sharp decline of 98%, Ekurhuleni export value eased lower by 29% and City of Tshwane export value dropped by 27.8%. In 2018, City of Johannesburg export was still in the lead in Gauteng provincial exports and the export value has surged by 92%, Ekurhuleni export value has also surged by 104% and City of Tshwane export value increased by 19.8% relative to 2017 export values. City of Johannesburg onion export value grew slightly by 0.4% during 2019, Ekurhuleni and City of Tshwane export values have surged by 81% and 73% respectively when compared to 2018 export values. The export value of onions from the City of Johannesburg increased by 2.7% in 2020, while export values from the Ekurhuleni and City of Tshwane increased by 5.7% and 3.9%, respectively, compared to the 2019 export values.



Source: Quantec Easydata

As can be seen on the above figure 12, onion exports from the KwaZulu Natal province were mainly from Ethekwini district, which can be attributed to Durban Harbour export exit point. During 2012, Ugu recorded the highest export value of onion from the KwaZulu Natal province. In 2013, Ugu was the main contributor to KwaZulu Natal onion export, but the value has significantly dropped. In the

same year, Ethekeeni export value has considerably increased when compared to the 2012 export value, while Uthungulu has contributed to the KwaZulu Natal onion export value. During 2014, Ugu was still the main contributor in onion exports from KwaZulu Natal, but the export value has dropped further by 9%. At the same time, export values for Uthungulu and Ethekeeni export values have also dropped. During 2015, KwaZulu Natal export was mainly from Ethekeeni municipality. Sisonke, Zululand and Umgungundlovu have contributed for the first time to KwaZulu Natal provincial onion export, but the values were less significant. In 2016, KwaZulu Natal onion exports were sourced from Ethekeeni and Ugu district municipalities. As of 2017, Ethekeeni export value sharply dropped by 81%, Ugu export eased lower by 62%, whilst Uthungulu has registered a notable export value. During 2018, Ethekeeni onion export value has drastically dropped by 118% and Zululand export value increased notably by 41% relative to 2017 export value. During 2019, Uthukela was the main exit point for onion exports from KwaZulu Natal. Onion exports from Zululand were higher, while onion exports from Ethekeeni fell by 39%. As of 2020, Ethekeeni onion export value was incomparably higher relative to the 2019 export value, there was also notable increase in Uthungulu and Umgungundlovu export values.

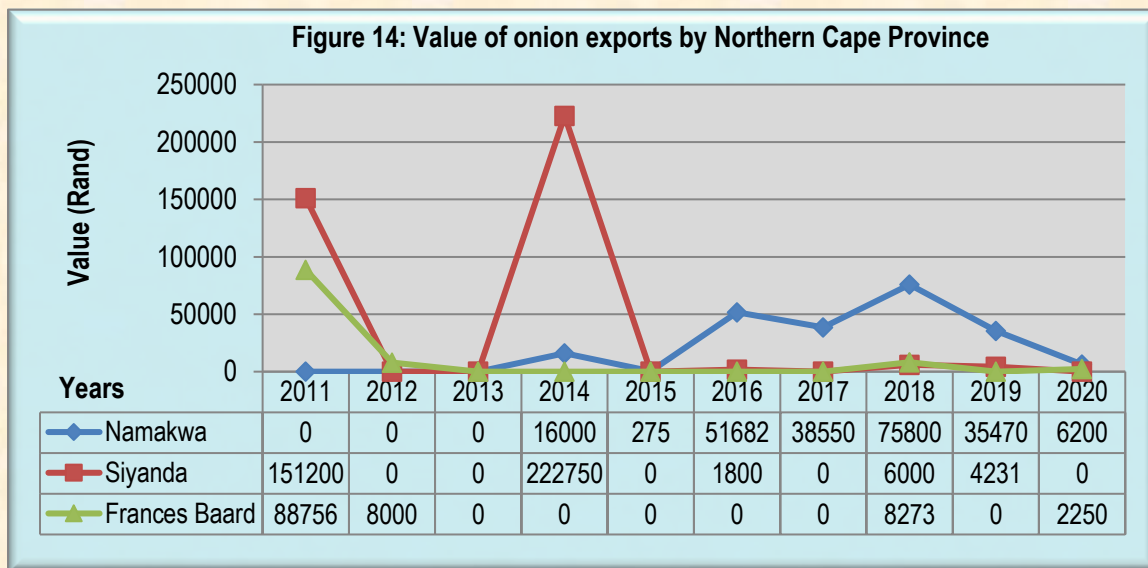


Source: Quantec Easydata

Figure 13 above, indicates that, Eastern Cape province started to export onions in 2012 from Chris Hani district municipality and Nelson Mandela Bay has recorded a trivial export value. During 2014, Eastern Cape notably exported onions from Alfred Nzo municipality. Export values from Joe Gqabi and Nelson Mandela Bay were less significant. In 2015, the overall Eastern Cape onion export value was less significant when compared to the previous year. During 2016, Eastern Cape has exported onion through Buffalo City district and the export was significantly higher when compared to the overall Eastern Cape onion export value. At the same time, Nelson Mandela Bay district export value has drastically increased, in comparison to 2015 export value. In 2017, Alfred Nzo district has onion export value significantly increased, whereas Chris Hani district onion export value was less

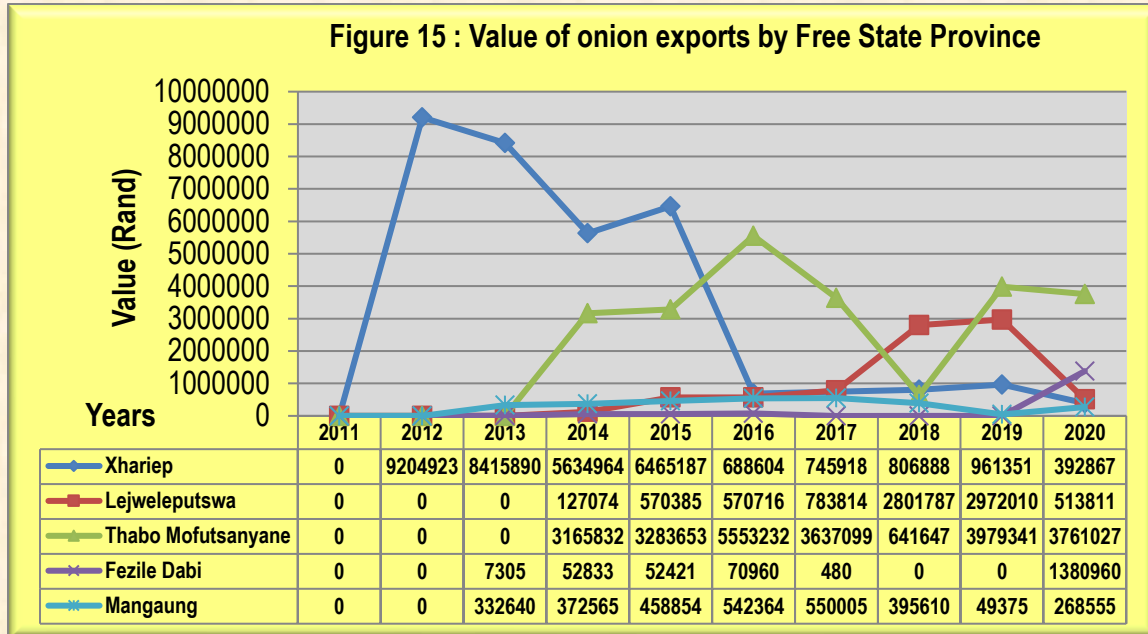
significant. As of 2018, Alfred Nzo was still the main exit point for Eastern Cape onion export and the export value increased by 4.5% relative to 2017 export value and Nelson Mandela Bay export value was trivial. During 2019, Alfred Nzo district was a sole exit point for Eastern Cape onion exports, however the export value has declined by 19.7% relative to the 2018 export value. As of 2020, Cacadu contributed notably to Eastern Cape onion export value whereas Alfred Nzo onion exports has sharply declined.

Figure 14 below is an illustration of onion exports by Northern Cape province from 2011 to 2020. It is clear that onion exports from Northern Cape province were mainly from the Frances Baard district. During 2012, Northern Cape exported onion through Frances Baard and the export value has significantly dropped when compared to the 2011 export value. During 2013, Northern Cape province has recorded zero onion trade. In 2014, Northern Cape exported onion from Namakwa and Siyanda district municipalities. In the Northern Cape, onion exports were recorded only for Namakwa municipality in 2015, but the export value was insignificant. Namakwa has contributed notably to Northern Cape onion exports during 2016, whereas exports recorded for Siyanda were less significant. In 2017, Northern Cape onion was exported solely through Namakwa district municipality, however, the export value eased lower by 25.4% relative to 2016. As of 2018, Namakwa was still the primary exit point for Northern Cape onion export and the export value has surged by 96.6%, Siyanda and Frances Baard have also registered notable export values. During 2019, Northern Cape has exported onions through Namakwa and Siyanda district, however, the export values fell by 53% and 29% respectively. In 2020, Namakwa onion export value was significantly lower compared to 2019 export value and onion exports were also recorded for Frances Baard district.



Source: Quantec Easydata

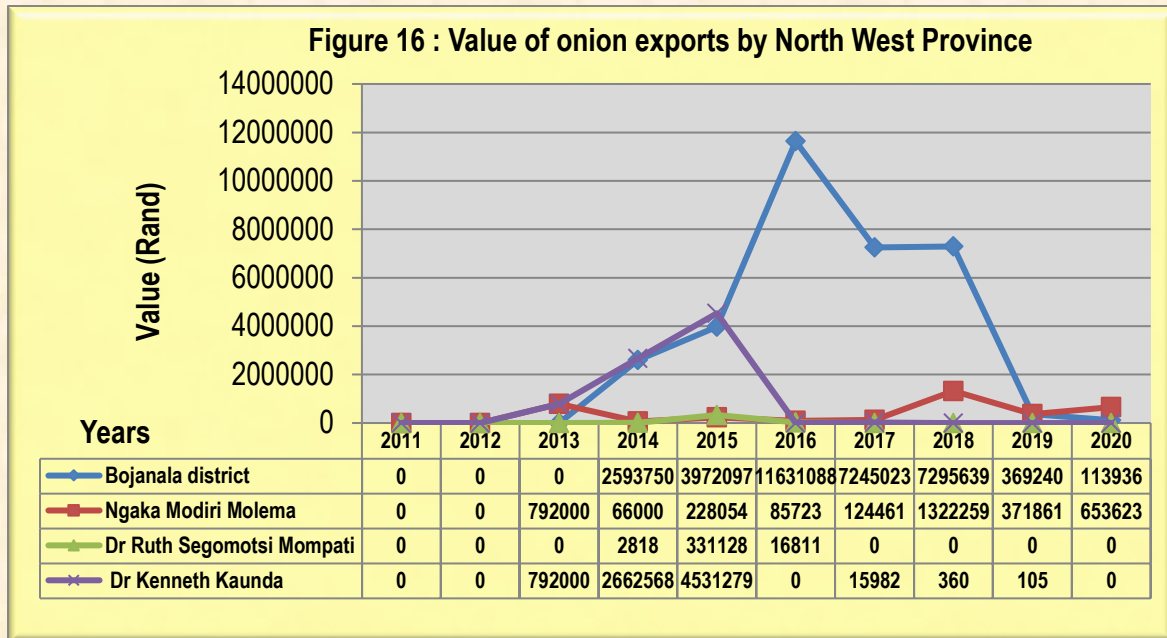
Figure 15 below is an illustration of onion exports by Free State province from 2011 to 2020



Source: Quantec Easydata

Figure 15 above shows that onion exports by Free State province were mainly from Xhariep and Thabo Mofutsanyane districts. In 2011, Free State province had a zero trade for onions. In 2012, Xhariep district was the sole exit point for Free State onion exports. During 2013, Mangaung and Fezile Dabi districts contributed to Free State onion exports for the first time in 10 years. At the same time, Xhariep export value has notably dropped when compared to the previous year export value. In 2014, Xhariep exports dropped further while the export values for Thabo Mofutsanyane, Fezile Dabi and Mangaung have notably increased. During 2015, Free State overall onion export value has increased, and the notable increase was recorded for Thabo Mofutsanyane, Lejweleputswa and Mangaung municipalities. The increase in onion export value for Free State province can be attributed to an increase in onion export to neighbouring Lesotho.

During 2016, Thabo Mofutsanyane and Thabo Mofutsanyane export values have surged, while Xhariep export value dropped drastically. In the same year, Fezile Dabi export value increased slightly, in comparison to the 2015 export value. As of 2017, Thabo Mofutsanyane was still by far the preferred exit point for Free State onion export however, was a sharp decline in the value of export by 34.6% relative to 2016 export value. At the same time, Xhariep onion export value eased higher 8.3%, Lejweleputswa export value grew by 37%, Mangaung export increased slightly by 1.9%, whilst Fezile Dabi has registered a trivial export value. As of 2018, Lejweleputswa was the main exit point for Free State onion exit point, the export value increased drastically by 257%, Thabo Mofutsanyane export value sharply decreased by 82% and Mangaung export value has decreased by 28% relative to 2017 export values. During 2019, Thabo Mofutsanyane was the primary exit point for Free State onion exports, Lejweleputswa export value has increased by 6% and Xhariep export value increased slightly by 19% relative to 2018 export value. As of 2020, Thabo Mofutsanyane was still the primary exit point, however the export value declined by 5.4% relative to the 2019 export value. At the same time, Lejweleputswa export value declined sharply 85%, Fezile Dabi and Mangaung exports values surged relative to the previous year (2019) export values

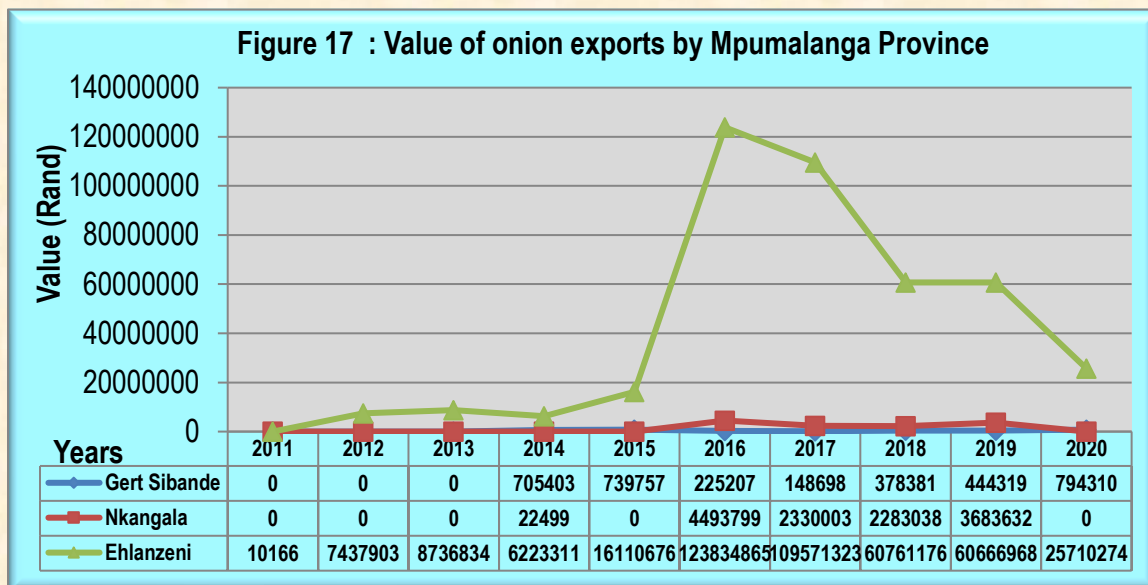


Source: Quantec Easydata

Figure 16 above illustrates that the North West province recorded its first onion exports in 2013, from the Ngaka Modiri Molema district. From 2011 to 2012, the province has recorded a zero trade for onions. During 2014, Free State exported onion through Bojanala, Ngaka Modiri Molema, and Dr Kenneth Kaunda district municipalities, but export value for Dr Kenneth Kaunda was insignificant. In 2015, Bojanala district onion export has surged, Ngaka Modiri Molema and Dr Kenneth Kaunda export values have also notably increased. In 2016, Bojanala district export values has continued to surge, which can be attributed to a notable increase in onion exports to the neighbouring Botswana during the same years. In the same year, Dr Ruth Segomotsi Mompoti has contributed to North West onion export, whilst Ngaka Modiri Molema export value has drastically decreased. Bojanala onion export value eased marginally lower by 37.7% during 2017, Ngaka Modiri Molema export value notably grew by 45% and Dr Kenneth Kaunda district export value was less significant. As of 2018, Bojanala district was still the primary exit point for North West onion export and the export value rose slightly by 0.7% and Ngaka Modiri Molema export value was incomparably higher, when compared to 2017 export value. In 2019, there was a sharp decline in export values recorded for Bojanala and Ngaka Modiri Molema districts. As of 2020, the export value of Ngaka Modiri Molema increased by 75%, while the export value of Bojanala decreased by 69%, compared to its 2019 export value.

Figure 17 below shows that onion exports from the Mpumalanga province were mainly from Ehlanzeni district municipalities. During 2011, export value was recorded only in Ehlanzeni municipality and during 2012, the export value has increased significantly when compared to the 2011 export value. During 2013, Mpumalanga has exported onions through Ehlanzeni district and the export value was notably higher in comparison to the previous year. In 2014, Mpumalanga onion was exported through Ehlanzeni, Nkangala and Gert Sibande. Export value for Ehlanzeni has notably dropped and Nkangala export value was less significant. During 2015, Ehlanzeni onion export value has surged when compared to the 2014 export value. Ehlanzeni has continued to be the main contributor to Mpumalanga onion exports, and during 2016, the export value was incomparably higher than the 2015 export value. Nkangala export value has gone up while Gert

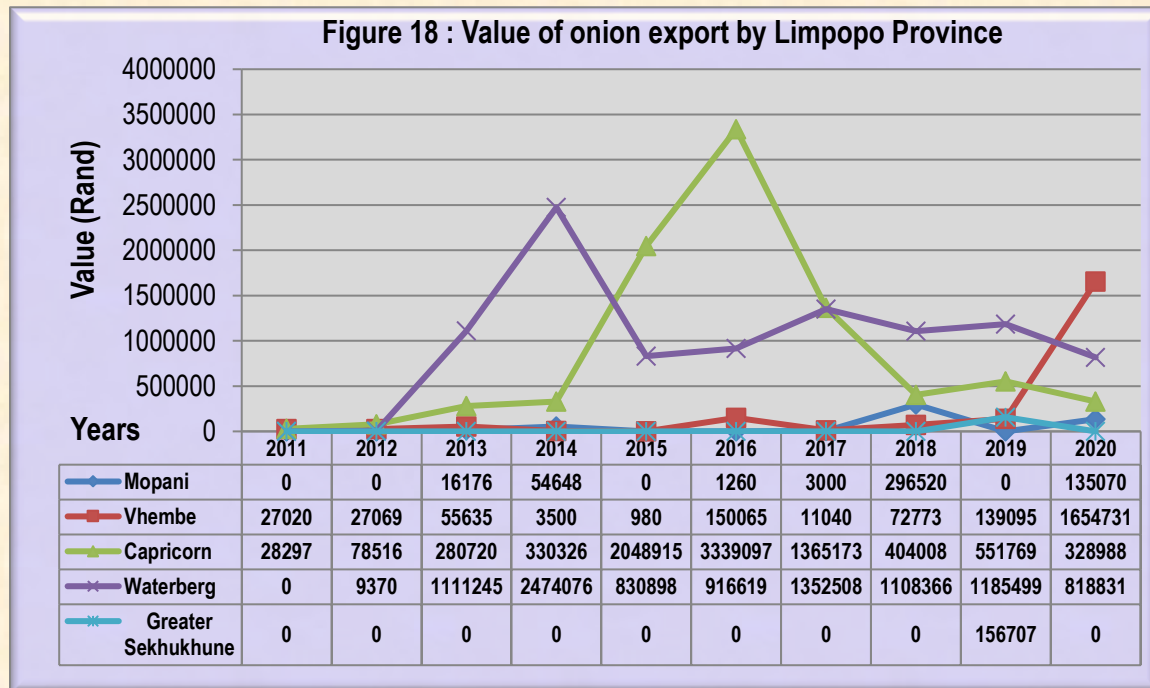
Sibande export value has notably dropped. The significant increase in overall Mpumalanga export value can be attributed to a significant increment in export volume to the neighbouring Mozambique. In 2017, Ehlanzeni onion export eased slightly lower by 11%, Nkangala export value has surged, whereas Gert Sibande export eased lower by 33% relative to 2016 export value. In 2018, Ehlanzeni has remained the primary exit point for Mpumalanga onion export, however the export value sharply dropped to 44.5%, Gert Sibande export value increased sharply by 154% whilst Nkangala export value has declined by 2% relative to 2017 export value. As of 2019, Ehlanzeni was still by far the primary exit point for Mpumalanga onion export, Nkangala export value grew notably by 61% and Gert Sibande export value grew by 17% relative to 2018 export value. During 2020, Ehlanzeni onion export value dropped sharply by 57% whereas Gert Sibande export value surged by 78% relative to 2019 export value.



Source: Quantec Easydata

Figure 18 below shows that the onion exports by Limpopo province originated mainly from Capricorn and Waterberg districts. In 2011, Limpopo province onion exports originated from Capricorn and Vhembe districts. During 2012, Waterberg district contributed for the first time to Limpopo provincial onion exports, but the export value for Mopani was less significant. In 2013, Limpopo province has exported onion through Vhembe, Capricorn, Mopani and Waterberg districts and the export values have substantially increased when compared to 2012 export values. During 2014, Waterberg, Capricorn and Mopani export values have notably increased, while Vhembe export value has significantly dropped. Capricorn onion export value has surged during 2015 and Waterberg export value has notably dropped when compared to 2014 value. Capricorn onion exports continued to surge in 2016. Vhembe and Waterberg onion exports have also notably increased. During 2016, there was a sharp decline of 57% in Capricorn onion exports, Waterberg export value eased marginally higher by 47.5% whilst Vhembe export value has drastically declined relative to 2016 value. The overall Limpopo export value has notably dropped, which can be ascribed to an 82% decline in onion export value destined to neighbouring Zimbabwe between 2016 and 2017 period. As of 2018, Waterberg was the primary exit point for Limpopo provincial onion export, however the export value declined by 18%, Mopani, Vhembe and Capricorn were incomparably higher relative to

2017 export values. In 2019, Limpopo has exported onion through Waterberg, Capricorn, Vhembe, and Greater Sekhukhune has contributed to export for the first time in ten years. As of 2020, Vhembe was the primary exit point for onion exported from Limpopo. At the same time, Capricorn and Waterberg export values declined notably by 40% and 30% respectively in comparison to the 2019 export values.



Source: Quantec Easydata

2.3 Share analysis

Table 3 below illustrates the provincial share towards national onion exports. The Western Cape and Gauteng provinces recorded the greatest shares of onion exports from South Africa. High onion export shares by Western Cape and Gauteng provinces can be attributed to registered exporters and export exit point located in these provinces. During 2012, Western Cape has increased its export share to 33.27%, while the export share for Gauteng has dropped to 57.64%. During the same time, Free State increased its export share to 4.13%, while the export share for Mpumalanga has increased to 3.31%. In 2013 and 2014, Western Cape continued to contribute significantly to South Africa's onion export, and it has commanded 43.98% and 58.34% share respectively. During 2014, Gauteng export share has dropped further to 34.39% when compared to 2013. In the same year, Eastern Cape, Northern Cape, North West, Mpumalanga, and Limpopo export shares were less significant. Western Cape and Gauteng provinces have continued to command high onion export shares during 2015. In the same year, Free State and Mpumalanga have notably increased their export shares. In 2016, Gauteng export share has slightly increased to 42.06%, Mpumalanga export share increased notably from 5.56% to 25.84%, while Western Cape export share has significantly dropped to 26.92%. As of 2017, Gauteng was still leading in onion export share by commanding 35.52%, Western Cape export share has advanced to 29.88%, Mpumalanga export share eased higher to 30.23%, whilst other provinces have commanded insignificant export shares. As of 2018,

Gauteng has commanded the greatest share of 57.06% share of onion export share, Mpumalanga export share dropped notably to 14.86%, Western Cape export share declined slightly to 24.48%. In 2019, Gauteng export share grew slightly to 59.43%, Western Cape has registered 24.04%, Mpumalanga has commanded 13.95% and Free State share grew slightly to 1.71% relative to the 2018 export share. As of 2020, Gauteng with 68.42% share was still leading in South Africa onion export share, Western Cape commanded 23% share and Mpumalanga onion export share declined from 13.95% to 6.03% share.

Table 3: Share of provincial onion exports to the RSA onion exports

Year Province	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Western Cape	17.23	33.27	43.98	58.34	47.06	26.92	29.88	24.48	24.04	23.00
Eastern Cape	0	0	0.05	0.01	0	0.10	0.02	0.02	0.02	0.03
Northern Cape	0.12	0	0	0.07	0	0.01	0.01	0.02	0.01	0
Free State	0	4.13	3.39	2.86	3.57	1.54	1.54	1.09	1.71	1.44
KwaZulu-Natal	0.32	1.57	0.79	0.51	0.05	0.17	0.06	0.02	0.25	0.23
North West	0	0	0.31	0.81	1.49	2.44	1.99	2.02	0.16	0.17
Gauteng	82.29	57.64	47.54	34.39	41.31	42.06	35.52	57.06	59.43	68.42
Mpumalanga	0.01	3.33	3.38	2.13	5.56	25.84	30.23	14.86	13.95	6.03
Limpopo	0.03	0.05	0.57	0.88	0.95	0.92	0.74	0.44	0.44	0.67
RSA	100	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

The following tables (Table 4-12) show the share of provincial district onion exports to the total national onion exports.

Table 4: Share of district onion exports to the Western Cape provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City of Cape Town	59.49	82.88	66.93	75.40	85.23	79.24	86.61	96.73	72.81	93.20
West Coast	1.95	4.96	2.26	1.44	3.27	1.57	2.57	0.63	0.01	0.15
Cape Winelands	32.84	11.79	30.17	23.02	11.02	18.65	6.80	2.48	27.18	6.35
Overberg	0	0	0.35	0	0	0.06	0	0	0	0
Eden	5.72	0.37	0.29	0.15	0.47	0.47	4.02	0.17	0	0.30
Western Cape	100	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 4 above indicates that City of Cape Town and Cape Winelands commanded the highest shares of onion exports from Western Cape province. During 2011, City of Cape commanded 59.49% and Cape Winelands registered 32.84% of Western Cape onion export share. At the same time, Cape Winelands export share grew notably to 32.84% share. The City of Cape Town continues to lead in onion export and during 2012, its export share has gone up to 82.88% onion exports. In 2013, City of Cape export share dropped from 82.88% to 66.93% and Cape Winelands export share has

increased from 11.79% to 30.17%. City of Cape Town export share has increased to 75.40% during 2014, while Cape Winelands export share has gone down to 23.02% share. In 2015, City of Cape Town has commanded the greatest share of 85.23%, West Coast export share has increased to 3.27% and Cape Winelands export share has dropped to 11.02%. During 2016, City of Cape Town has continued to dominate in Western Cape export share by commanding 79.24% share, followed by Cape Winelands with 18.65% share. As of 2017, City of Cape Town onion export share grew to 86.61%, Cape Winelands export share declined to 6.80%, whereas Eden export share advanced to 4.02%. In 2018, City of Cape Town with a 96.73% share is still leading in Western Cape onion export share and Cape Winelands export share declined to 2.48% share. City of Cape Town export share declined to 72.81% during 2019 and Cape Winelands has commanded a 27.18% share of Western Cape onion export share. In 2020, City of Cape Town export share surged to 93.20% whereas Cape Winelands export share declined drastically to 6.35% share.

Table 5: Share of district onion exports to the Gauteng provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Sedibeng	0	0	0	0	0	0.01	0	0	0.05	0
West Rand	0	0.01	0.20	0.58	1.22	1.10	0.02	0	0	0.09
Ekurhuleni	0.75	0.46	3.29	13.47	5.68	4.24	4.62	5.11	10.10	13.66
City of Johannesburg	72.23	51.68	62.45	57.44	68.17	85.61	85.31	88.38	73.87	79.33
City of Tshwane	27.02	47.85	34.06	28.51	24.93	9.05	10.05	6.51	9.98	6.92
Gauteng	100	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 5 above shows that City of Johannesburg commanded the greatest share of onion exports from Gauteng province. In 2011, City of Johannesburg dominated in onion exports by commanding a 72.23% share. During 2012, City of Tshwane has notably increased its onion export share from 27.02% to 47.85%, while City of Johannesburg export has dropped from 72.23% to 51.68%. In 2013, Ekurhuleni has commanded 3.29% and City of Johannesburg export share has increased to 62.45%. In the same year, City of Tshwane export share has notably decreased when compared to the 2012 export share. During 2014, Ekurhuleni has notably increased its export share from 3.29% to 13.47%, whereas the City of Johannesburg and City of Tshwane export shares have dropped in comparison to 2013. City of Johannesburg has continued to command high shares on Gauteng provincial onion exports and in 2015, it has commanded 68.17% and Ekurhuleni export share has dropped from 13.74% to 5.68%. During 2016, City of Johannesburg has increased its export share to 85.61%, whilst City of Tshwane export value has dropped to 9.05% share. In 2017, City of Johannesburg export share slightly dropped to 85.31%, City of Tshwane export share grew to 10.05% and Ekurhuleni has commanded a 4.62% share. As of 2018, City of Johannesburg onion export share has increased slightly to 88.38%, Ekurhuleni commanded a 5.11% share whilst City of Tshwane export share dropped to 6.51%. During 2019, City of Johannesburg onion export share dropped slightly to 73.87% share, Ekurhuleni has registered 10.10% share and City of Tshwane has registered 9.98% share.

Table 6: Share of district onion exports to the KwaZulu Natal provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Ugu	86.95	97.13	81.51	90.78	0	22.08	29.33	0	0	0
Umgungundlovu	0	0	0	0	2.25	0	2.38	0	0	1.61
Uthukela	0	0	0	0	0	0	0	0	60.30	0
Amajuba	0	0	0	0	0	0	0.28	0	0	0
Zululand	0	0	0	0	2.59	0	3.14	18.31	36.81	16.48
Uthungulu	0	0	3.91	3.80	1.71	0	12.83	0	0	3.76
Sisonke	0	0	0	0	6.37	0	0	0	0	0
Ethekwini	13.05	2.87	14.58	5.42	87.09	77.92	52.03	81.89	2.89	78.15
KwaZulu Natal	100	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 6 above illustrates that Ethekwini districts commanded the greatest share of onions export from KwaZulu Natal province. In 2011, Ugu commanded an 86.95% share of onion export and Ethekwini registered 13.05% share. During 2012, Ugu continued to lead in onion exports from KwaZulu Natal by commanding a 97.13% share, while the share for Ethekwini has dropped further to 2.87%. During 2013, Ugu maintained its lead in onion export by commanding an 81.51% and Ethekwini notably increased its export share from 2.87% to 14.58%. In the same year, Uthungulu commanded a 3.91% share after seven years of recording 0% share. During 2014, Ugu increased its export share from 81.51% to 90.78% and Ethekwini export share has gone down to 5.42% share. In 2015, Ethekwini has commanded the greatest share of KwaZulu Natal provincial onion exports. Sisonke, Zululand and Umgungundlovu have also contributed to KwaZulu Natal export shares. During 2016, Ethekwini export share has dropped slightly to 77.92%, while Ugu has commanded a notable 22.08% share of KwaZulu Natal onion export share. As of 2017, Ethekwini export share dropped notably to 52.03%, Ugu export share grew to 29.33%, Uthungulu has commanded a notable 12.83% share whilst Amajuba has commanded a trivial share. In 2018, Ethekwini onion export share increased sharply to 81.89% and Zululand has registered an 18.31% share. During 2019, Uthukela has commanded the greatest share on 60.30% of KwaZulu Natal onion export share, Zululand has registered 36.81% share and Ethekwini export share declined sharply to 2.89% share. As of 2020, Ethekwini onion export share rose marginally to 78.15%, Zululand export share fell to 16.48% share whilst Uthungulu commanded 3.76% share.

Table 7: Share of district onion exports to the Eastern Cape Provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cacadu	0	0	100	0	0.99	0.06	0	0	0	86.06
Chris Hani	0	0	0	0	0	0.27	3.40	0	0	0
Joe Gqabi	0	0	0	17.33	2.98	0	0	0	0	0
Alfred Nzo	0	0	0	79.46	88.06	1.79	96.60	99.74	100	13.94
Nelson Mandela Bay	0	0	0	3.21	7.97	8.20	0	0.26	0	0
Buffalo City	0	0	0	0	0	89.68	0	0	0	0
Eastern Cape	0	0	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

From 2011 to 2012, Eastern Cape province has recorded zero trade. In 2013, Cacadu municipality has commanded a 100% share of onion exports from Eastern Cape Province. In 2014, Alfred Nzo commanded the highest export share of 79.46%, Joe Gqabi commanded 17.33, whereas Nelson Mandela Bay has recorded a 3.21% share from Eastern Cape province. During 2015, Alfred Nzo has increased its onion export share to 88.06% and Nelson Mandela Bay export share has increased to 7.97%. In 2016, Buffalo City has contributed significantly for the first to Eastern Cape export share by commanding 89.68% share; Nelson Mandela Bay has slightly increased its export share to 8.20% whilst Alfred Nzo export share has drastically dropped from 88.06% share to 1.79% share. During 2017, Alfred Nzo has commanded the greatest share of 96.60% and Chris Hani export share grew to 3.40%. As of 2018, Alfred Nzo was still in the lead in Eastern Cape export share by commanding 99.74% whilst Buffalo City has commanded a trivial export share. During 2019, Alfred Nzo has commanded a 100% share of the Eastern Cape onion export share. In 2020, Cacadu district contributed significantly to Eastern Cape onion export share by commanding 86.06% share and Alfred Nzo export share declined sharply from 100% to 13.94% share.

Table 8: Share of district onion exports to the Northern Cape provincial onion exports (%)

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
District										
Namakwa	0	0	0	6.70	100	96.63	100	84.15	89.34	73.37
Siyanda	63.01	0	0	93.30	0	3.37	0	6.66	10.66	0
Frances Baard	36.99	100	0	0	0	0	0	9.18	0	26.63
Northern Cape	100	100	0	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 8 above indicates that, in 2011, Siyanda district commanded a 63.01% share and Frances Baard has commanded 36.99% share of onion exports from the Northern Cape. During 2012, Frances Baard registered 100% share of onion exports from Northern Cape province. In 2013, Northern Cape province has recorded zero trade. Siyanda has commanded the greatest share of 93.30% during 2014 and Namakwa has recorded a 6.70% share of Northern Cape provincial onion exports. During 2015, Namakwa district has commanded 100% share of Northern Cape provincial onion exports. In 2016, Namakwa commanded a significant 96.63% share of Northern Cape provincial export share, whilst Siyanda has commanded a 3.37% share. As of 2017, Namakwa has continued to dominate in Northern Cape export share by commanding 100% share. In 2018, Namakwa onion export share dropped to 84.15%, Frances Baard recorded a 9.18% share and Siyanda district has registered a 6.66% share. During 2019, Namakwa has commanded 89.34% share of the Northern Cape onion export share and Siyanda export share increased to 10.66% share. As of 2020, Namakwa onion export share declined slightly to 73.37% share and Frances Baard recorded 26.63% export share.

Table 9: Share of district onion exports to the Free State provincial onion exports (%)

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
District										
Xhariep	0	100	96.12	60.25	59.69	9.26	13.05	17.37	12.07	6.22
Lejweleputswa	0	0	0	1.36	5.27	7.69	13.71	60.31	37.33	8.13
Thabo Mofutsanyane	0	0	0	33.85	30.32	74.85	63.62	13.81	49.98	59.54

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fezile Dabi	0	0	0.08	0.56	0.48	0.95	0.01	0	0	21.86
Mangaung	0	0	3.80	3.98	4.24	7.25	9.62	8.52	0.62	4.25
Free State	0	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 9 above illustrates onion export share from Free State province. In 2011, Free State province has recorded zero onion trade. During 2012, Xhariep has commanded a 100% share of Free State onion export. As of 2013, Xhariep district export share dropped slightly to 96.12%, while Mangaung has commanded a 3.80% share. In 2014, Xhariep export share dropped further to 60.25% share, while Thabo Mofutsanyane has commanded a 33.85% share of onion exports from the Free State province. Xhariep and Thabo Mofutsanyane have commanded the greatest shares of Free State onion exports. During 2016, Thabo Mofutsanyane has increased its onion export share to 74.85%, while Xhariep export share has dropped from 59.69% to 9.26%. At the same time, Lejweleputswa and Mangaung onion export shares have slightly increased. In 2017, Thabo Mofutsanyane export share has notably dropped to 63.62%, Lejweleputswa export share grew to 13.71%, Xhariep export share increased to 13.05% and Mangaung export share has gone up to 9.62%. As of 2018, Lejweleputswa onion export share increased notably to 60.31%, Thabo Mofutsanyane export share dropped sharply to 13.81% and Mangaung has registered an 8.52% share. In 2019, Thabo Mofutsanyane export share has increased notably to 49.98%, Lejweleputswa export share declined sharply to 37.33% and Xhariep has commanded a 12.07% share. As of 2020, Thabo Mofutsanyane onion export share grew further to 59.54% share, Fezile Dabi commanded 21.86% share whilst Lejweleputswa export share declined from 37.33% to 8.13% share.

Table 10: Share of district onion exports to the North West provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bojanala	0	0	0	97.42	87.66	99.13	98.10	84.63	49.82	14.84
Ngaka Modiri Molema	100	0	100	2.48	5.03	0.73	1.69	15.37	50.17	85.16
Dr Ruth S. Mompoti	0	0	0	0	0	0.14	0	0	0	0
Dr K Kaunda	0	0	0	0.11	7.31	0	0.22	0	0.01	0
North West	100	0	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Table 10 above shows that in 2011 and 2013, Ngaka Modiri Molema has commanded 100% share of onion export share and during 2012, the province has recorded zero onion trade. In 2014, export share for Ngaka Modiri Molema has dropped from 100% to 2.48% and Bojanala export share has commanded 97.42% of North West provincial onion export. Bojanala commanded 87.66% share and Dr Kenneth Kaunda has recorded 7.31% share of Free State export share. In 2016, Bojanala has onion export share increased to 99.13%, whilst Dr Ruth Segomotsi Mompoti has contributed to North West provincial onion export share, but the export share was insignificant. During 2017, Bojanala has continued to command high onion export share by commanding 98.10% share and Ngaka Modiri Molema export share grew slightly to 1.69%. As of 2018, Bojanala has registered 84.63% share of

Free State onion export and Ngaka Modiri Molema has commanded a 15.37% share. In 2019, Ngaka Modiri Molema onion export share has increased 50.17% and Bojanala has registered a 49.82% share of Free State onion export. As of 2020, Ngaka Modiri Molema continued to lead by commanding 85.16% of North West onion export share whereas Bojanala export share declined to 14.84% share.

Table 11: Share of district onion exports to the Mpumalanga provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gert Sibande	0	0	0	10.15	4.39	0.18	0.13	0.60	0.69	3.00
Nkangala	0	0	0	0	0	0.22	2.08	3.60	5.69	0
Ehlanzeni	100	100	100	89.53	95.61	99.60	97.79	95.80	93.63	97.00
Mpumalanga	100	100	100	100	100	100	100	100	100	100

Source: Calculated from Quantec Easydata

Figure 11 above indicates that from 2011 to 2013, Ehlanzeni commanded 100% share of onion exports from Mpumalanga province. In 2014, Ehlanzeni export share dropped from 100% to 89.53% share of onion exports and at the same time, Gert Sibande has recorded 10.15% export share. During 2015, Ehlanzeni has increased its export share from 89.53% to 95.61%. In 2016, Ehlanzeni has continued to lead in Mpumalanga onion export share by commanding 99.60%. During 2017, Ehlanzeni onion export share dropped slightly to 97.79%, whereas Nkangala export share grew to 2.08%. As of 2018, Ehlanzeni has commanded 95.80% share and Nkangala export share grew to 3.60% share. In 2019, Ehlanzeni registered the greatest share of 93.63% and Nkangala has recorded a 5.69% share. As of 2020, Ehlanzeni onion export share grew to 97% and Gert Sibande commanded 3% share of Mpumalanga provincial onion exports.

Table 12: Share of district onion exports to the Limpopo provincial onion exports (%)

Year District	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Mopani	0	0	1.11	1.91	0	0.03	0.11	15.76	0	4.60
Vhembe	48.85	23.55	3.80	0.12	0	3.41	0.40	3.87	7.41	56.33
Capricorn	51.15	68.30	19.18	11.54	71.12	75.77	49.97	21.47	29.41	11.20
Waterberg	0	8.15	75.92	86.43	28.84	20.80	49.51	58.90	63.18	27.87
Limpopo	100	100	100	100	100	100	100	100	100	100

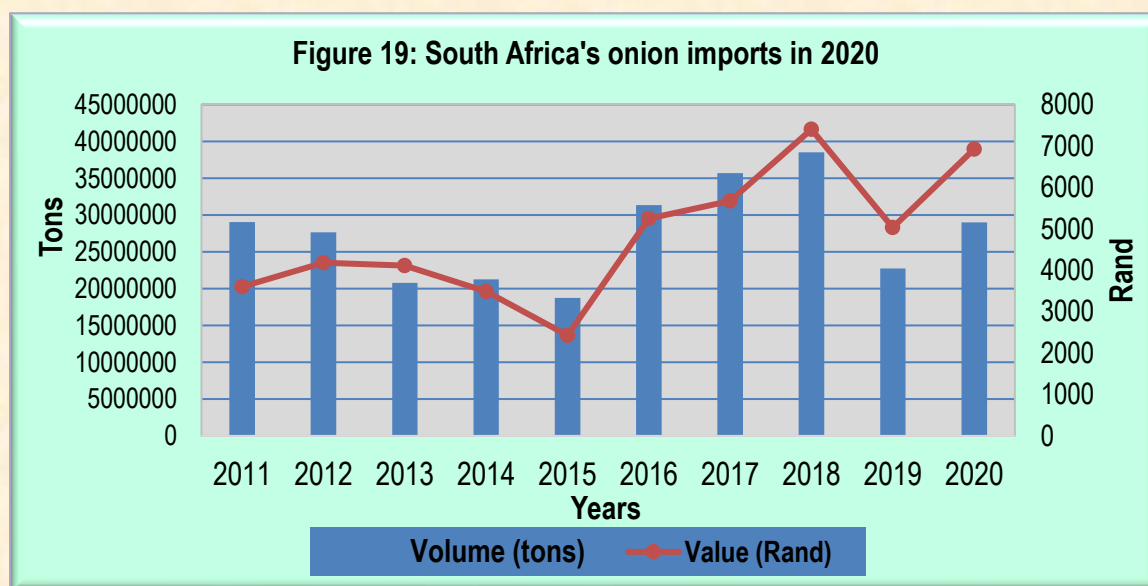
Source: Calculated from Quantec Easydata

Figure 12 above indicates that in 2011, Vhembe district recorded 48.85% of onion export share and Capricorn district registered 51.15% share. Waterberg contributed to Limpopo export share during 2012 and it has recorded 8.15%, whereas Capricorn has recorded 68.30% and Vhembe export share has gone down to 23.55%. In 2013, Waterberg commanded the greatest export share of 75.92% and Capricorn export share has notably decreased to 19.18%. In the same year, Vhembe export share has drastically dropped to 3.80%, when compared to the 2012 export share. Waterberg continued to command a high export share and in 2014, it has commanded 86.43% share, whereas

Capricorn export share has dropped to 11.54%. During 2015, Capricorn onion export share has notably increased to 71.12%, while Waterberg export share has significantly dropped to 28.84%. Capricorn has continued to lead in Limpopo provincial onion export share by commanding 75.77% during 2016, Waterberg export share dropped to 20.80% while Vhembe export share has gone up to 3.41%. As of 2017, Capricorn onion export share has drastically dropped to 49.97% and Waterberg onion export share has experienced a notable increase from 20.80% to 49.51%. During 2018, Waterberg registered a 58.90% share of Limpopo onion export, Capricorn export share notably dropped to 21.47% and Mopani has commanded a 15.76% share. As of 2019, Waterberg has commanded a 63.18% share and Capricorn has registered a 29.41% share of Limpopo onion exports. As of 2020, Vhembe held a 56.33% in onion exports from Limpopo, followed by Waterberg with a 27.7% share and Capricorn with an 11.20% share.

2.4 South Africa's onion imports

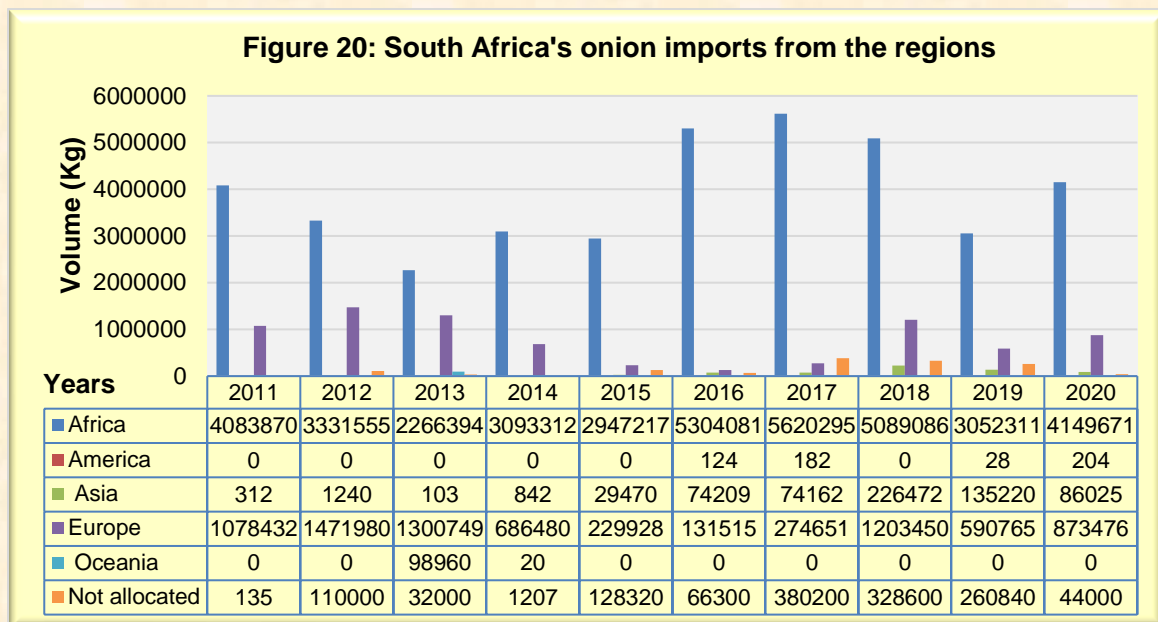
In 2020, South Africa's imports represented 0% of world imports for onion and its ranking in world imports were 110. During 2020, South Africa's onion imports have decreased by 41% in comparison to 2019 onion imports. South Africa's import volume increased notably by 27.5% which can be ascribed to a 2.3% drop in the domestic onion output during the same year. In 2020, Namibia with a share of 68.8% was the primary supplier of onion imported by South Africa, followed by Netherlands with 14.7%, New Zealand with 7.1% and Spain with 3.6% share. There was 2.1% of onion imports, which were not allocated. Globally, United States of America, Malaysia, Germany, United Kingdom, Viet Nam, Netherlands, Bangladesh, Japan and Sri Lanka are top onion importers.



Source: Quantec Easydata

Figure 19 shows that onion imports fluctuated during the period under review. In 2011, South Africa has imported a notable volume of 5 163 tons of onions. During 2012, South Africa's onion imports fell by 4.8%, which can be ascribed to a 6.8% increase in domestic production output. During 2013, onion imports dropped by 24.7% despite a 6.8% decrease in the domestic output. South Africa onion import has gone up by 2.3% during 2014. South African onion imports have dropped by 11.8% during

2015. The drop in import volume can be attributed to a 14% increase in the domestic output. In 2016, South Africa onion imports surged by 67% which can be attributed to 3% drop in the domestic production output. It was cheaper to import onions from 2009 to 2011, as onion volumes were imported at a lesser value. It was expensive to import onion during 2016 in comparison to 2015 import value. South Africa's onion imports have experienced a 13.9% increment relative to 2016 onion imports. During 2017, South Africa's import volume grew despite 4% in the domestic onion output during the same year. It was also cheaper to import onion when compared to 2016 import value. As of 2018, South Africa's onion import volume grew by 7.8%, and it was relatively more expensive to import onion relative to the previous year (2017). In 2019, South Africa has imported 41% less onion and the imports were more expensive when compared to the 2018 import value. As of 2020, South Africa's onion imported grew notably by 27.5% relative to 2020 import volume and this can be attested to 2.3% decline in the domestic production. Furthermore, it was more expensive to import onion when compared to the 2019 import value.

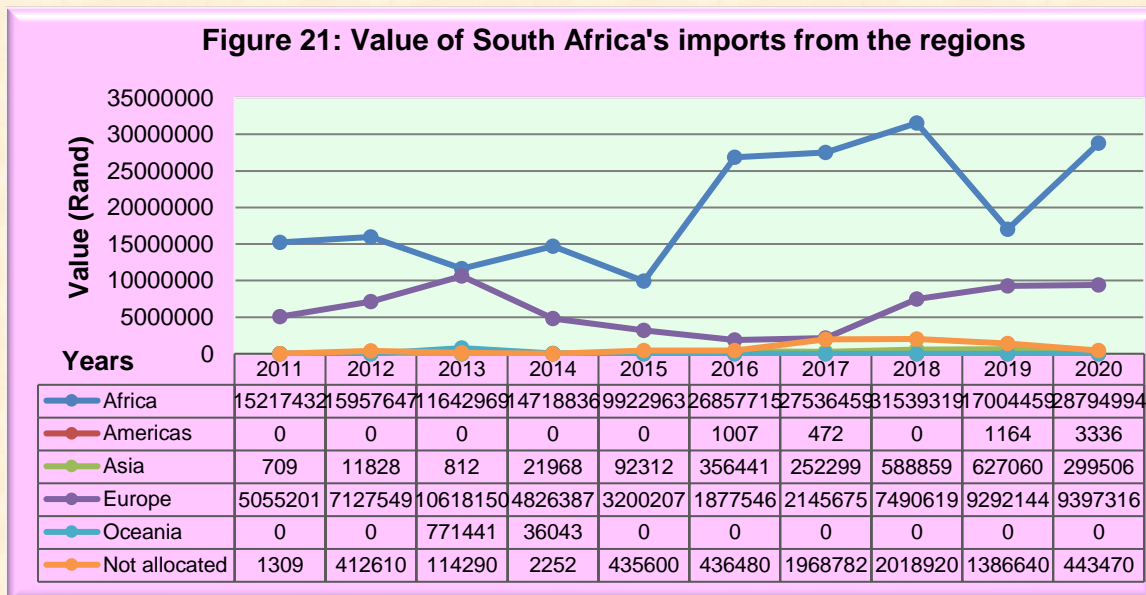


Source: Quantec Easydata

Figure 20 above illustrates the regions that supplied onions to South Africa over 10 years. South Africa imports most of the onions from the African region and Europe. In 2011 and 2012, Africa region followed by European region were the main supplier of South Africa's onion imports. In the same years, onion imports from Asia were less significant. Oceania region supplied South Africa with onion for the first time in ten years during 2013. During 2013 and 2014, Africa and Europe region remained the main suppliers of onions imported by South Africa. In 2015, South Africa imported a notable volume of onion from the Africa and Europe regions. At the same time, South Africa has imported a notable volume of onion from Asia region. During 2016, Africa region was still the primary supplier of South Africa's onion imports, followed by Europe and Asia. In the same year, volume of unallocated onion has dropped by 48%, when compared to previous year. In 2017, onion imports sourced from Africa region grew by 5.9%, unallocated imports and onion sourced from Europe have surged. At the same time, there was a notable import volume sourced from Asia, whilst import from Americas was trivial. As of 2018, Africa region, followed by Europe and Asia regions were the source

of South Africa's onion imports. At the same time, there was a notable volume of onion, which were unallocated. During 2019, South Africa has imported onion primarily from Africa, followed by Europe, Asia and the unallocated volume has declined by 27% relative to 2018 import volume. As of 2020, Africa and European regions remained as the main source of South African onion imports and there was a significant drop in onion volume that was unallocated.

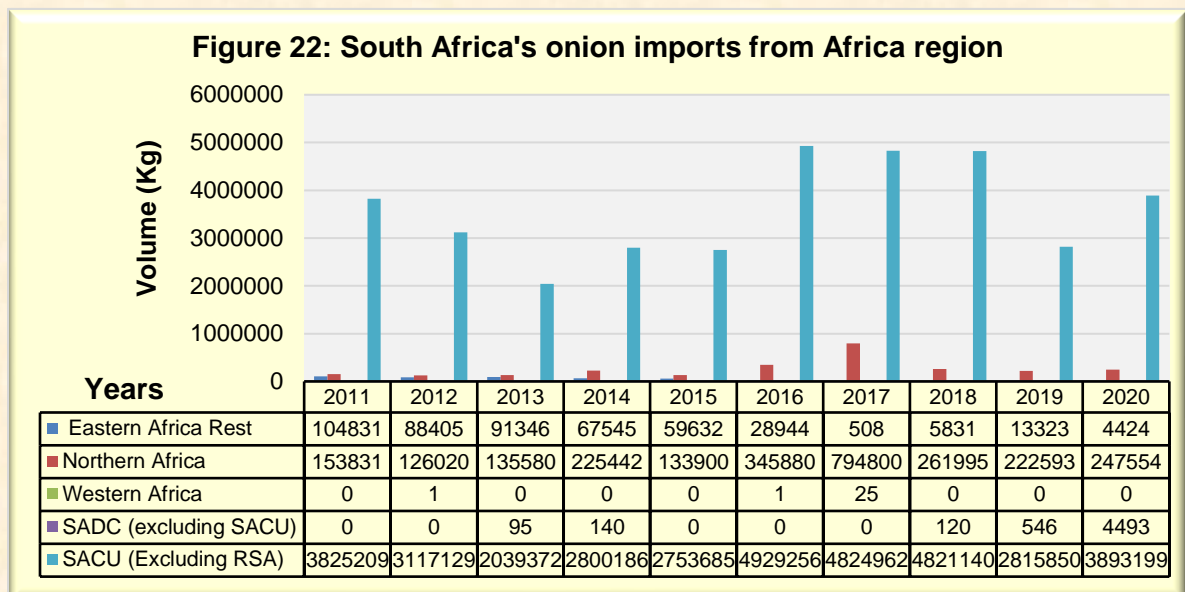
Figure 21 below shows the value of South Africa's onion imports for ten years. Africa and Europe regions recorded high export values as high volumes of onion were imported from these regions. During 2012, it was more expensive to import onion from Oceania region, followed by Europe region. Asia onion imports were by far more expensive to import during 2014, while onion imports from Africa region were cheaper. In 2015, it was relatively cheaper to import onion from Asia region, followed by Africa region and onion from Europe were imported at a higher value. During 2016, it was more expensive to import onion from Europe, followed by Africa region, whilst onion imports from Asia were cheaper. In 2017, onion imports sourced from Europe were still more expensive, followed by imports from Africa region and Asia region. At the same time, unallocated onion imports had a higher import value. As of 2018, it was slightly more expensive to import onion from the Europe region followed by imports from Africa region; imports from Asia registered a lesser import volume whilst unallocated imports had a higher value. During 2019, it was still more expensive to import onion from the European market, followed by Africa market, unallocated imports also had higher value whilst imports from Asia were still cheaper. In 2020, it was still more expensive to import onions from the Americas, followed by Europe and Africa. However, it was still cheaper to import onions from Asia.



Source: Quantec Easydata

Figure 22 illustrates South Africa's onion import from the African region. From 2011 to 2017 period, South Africa sourced onions mainly from Eastern Africa, Northern Africa, and SACU countries. As of 2014, onion imports were mainly from SACU (Botswana, Namibia, and Swaziland) and Northern Africa regions (Egypt). In 2014, Namibia supplied 53.8% of South Africa's onion imports while Kenya has supplied 16.1% of onion imports. At the same time, onion imports from Egypt amounted to 8.8% of South Africa imports. During 2015, SACU region (Namibia) continued to be the primary supplier

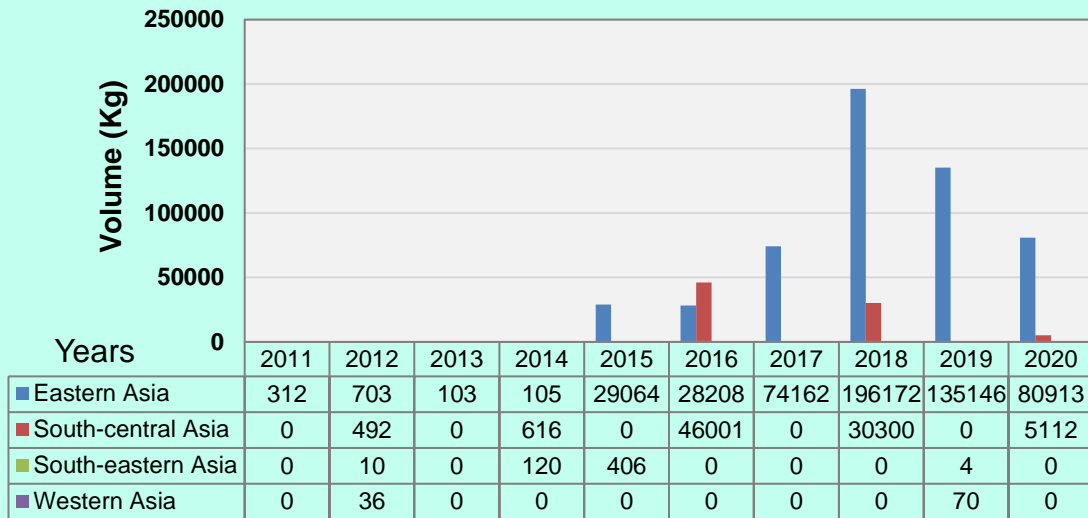
of South Africa's onion imports, followed by Northern region (Egypt) and Eastern Africa (Kenya). In 2016, SACU (Namibia) countries were the main supplier of South Africa onion imports, followed by Northern Africa (Egypt) and Eastern Africa (Kenya). During 2017, Namibia with a 72.3% share was still by far the primary suppliers of South Africa's onion imports and Egypt has accounted for 14% on imports. As of 2018, SACU country (Namibia with 70.6%) was still the primary supplier of South Africa's onion imports, Egypt has supplied 3.3% of onion imports and imports from Eastern and Northern Africa countries were less significant. During 2019, SACU countries remained the primary source of South Africa's onion imports from Africa region, followed by Northern Africa and Eastern Africa. As of 2020, onion imports from SACU region grew notably by 38% and the imports from North Africa increased by 11% relative to the 2019 import volume.



Source: Quantec Easydata

Figure 23 below shows South Africa's onion imports from the Asian region from 2011 to 2020. In 2010, South Africa imported considerable volumes of onion from South Central Asian country (India). South Africa imported only 311Kg from Eastern Asia during 2011. During 2012, Eastern Asia was the main supplier of onion imports, followed by South Central Asia. West Asia supplied South Africa with onion for the first time in the ten years, but the volume was less significant. During 2013, South Africa imported onion only from Eastern Asia (Taiwan), but the volumes were less significant. In 2014, South Africa imported only 102 kg of onions from Eastern Asia. During 2015, there was a notable increase in onion imports from Eastern Asia (China) and imports from South Eastern Asia were less significant. In 2016, South central Asia was the main supplier of onion originating from Asia, followed by Eastern Asia. As of 2017, Eastern Asia (China) was the sole supplier of South Africa onion imports sourced from Asia. In 2018, South Africa has imported onion Eastern Asia (China) and South-Central Asia (India). Eastern Asia was still the primary source of South Africa's onion imports from the Asia region during 2019 however, the import volume declined by 31% relative to the 2018 import volume. As of 2020, Eastern Asia remained the primary supplier of onion sourced from Asian region and imports from South central Asia were less significant.

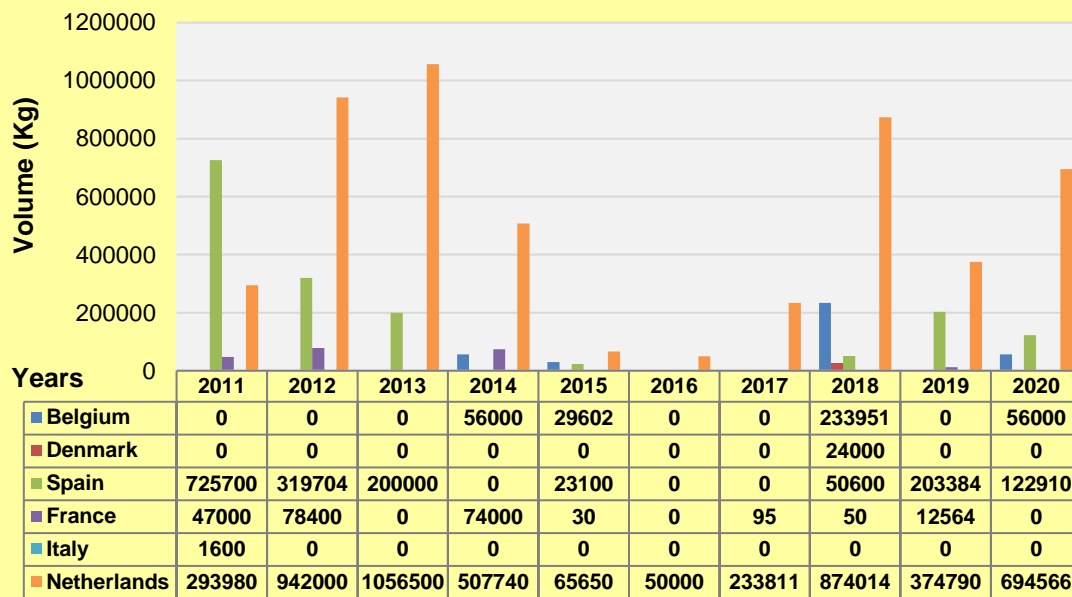
Figure 23: South Africa's onion imports from Asian region



Source: Quantec Easydata

Figure 24 is an illustration of South Africa's onion imports from European region.

Figure 24: South Africa's onion import from European countries



Source: Quantec Easydata

Figure 24 above, is an illustration of South Africa's onion imports from the European region. Figure 24 above illustrates that from European countries, South Africa imported high quantities of onion from the Netherlands and Spain. During 2011, Netherlands and Spain were the main suppliers of onion, imported from European countries. In the same year, Italy also supplied onions to South Africa for the first time in ten years. During 2012, Netherlands commanded the greatest share of South Africa's imports, and its import share was 31.1%, while Spain has commanded 21.6% share. In 2013, Netherlands continued to be the main supplier imported by South Africa, followed by Spain and United Kingdom. In 2014, Belgium has supplied onions to South Africa for the first time in ten years. At the same time, imports from France and United Kingdom have increased while onion imports from the Netherlands have notably dropped.

In 2015, South Africa has imported a high volume of onion from the United Kingdom and the Netherlands. At the same time, notable volumes were imported from Belgium and Spain, while the import volume from France was insignificant. During 2016, United Kingdom was the main supplier of onion from Europe, followed by France and onion imports from Netherlands were insignificant. In 2017, Netherlands and United Kingdom remained the primary suppliers of onion imports from European region. As of 2018, South Africa has sourced onion from Netherlands, Belgium, Spain, United Kingdom, whereas the import volume from France was trivial. Netherlands, Spain, and France were the main suppliers of South Africa's onion imports from the Europe region in 2019. South Africa's imports from Netherlands surged by 85% whilst the imports from Spain declined notably by 39% relative to 2019 import volume.

2.5 Processing

Processing of onions consists of canning, oil extraction, freezing and dehydration. Onions are the most often used to enhance flavour and a wide range of recipes such as casseroles, pizzas, soups, stews and may also be used as the main ingredient in their own right for example, onion soup or onion chutney. As a garnish onions are used on sandwiches and salads. In addition, onions are used as a cooking ingredient in countless recipes, and are frequently used as a condiment, on sandwich, side dish and appetizer. Onion is a staple in Indian cuisine, used as a thickening agent for curries and gravies. Onions pickled in vinegar are eaten as a snack. Onion tissue is frequently used in science education for demonstrating microscope usage and for learning about the structure of cells. Over the year there has been an increase in onion dehydration and freezing activities. The overall increase in onion processing activities can be attributed the increase in the demand of convenience ready to eat food. Figure 25 below shows the onion value chain tree explaining its uses while Figure 26 below illustrates the market value chain for onion.

Figure 25: Onion value chain tree explaining its uses

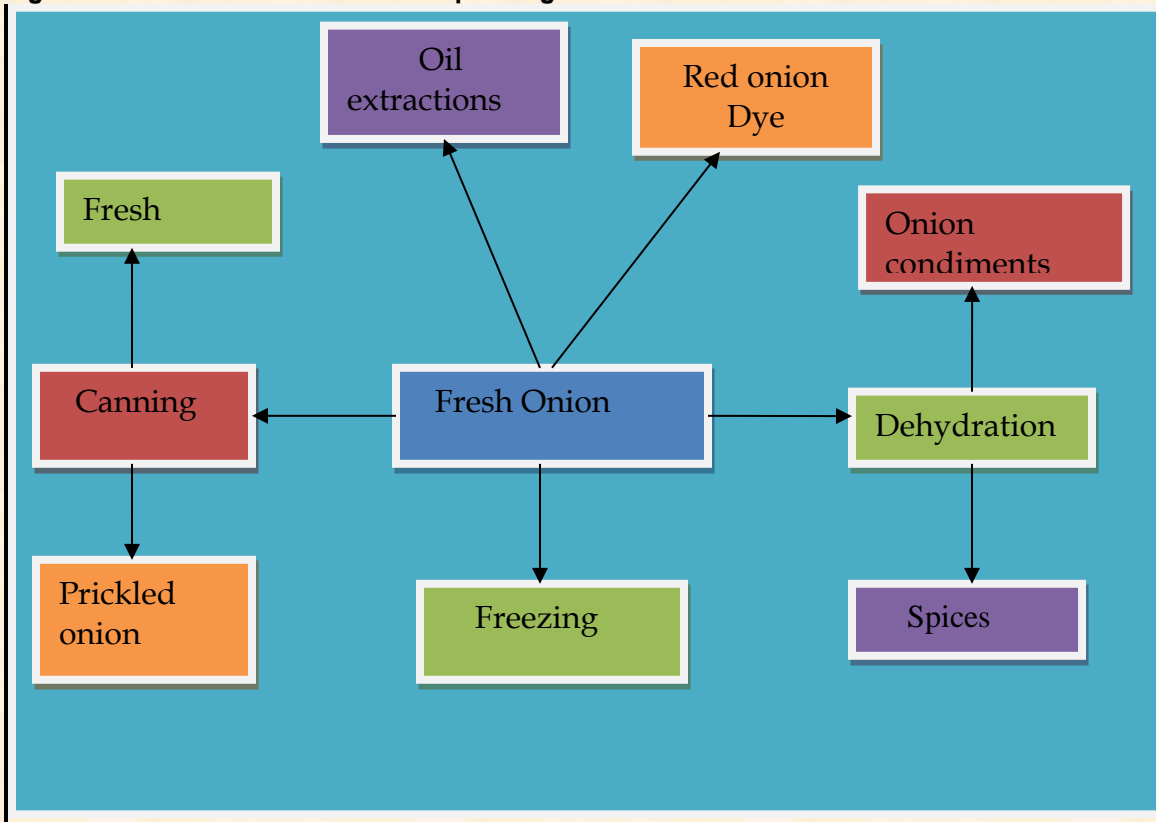
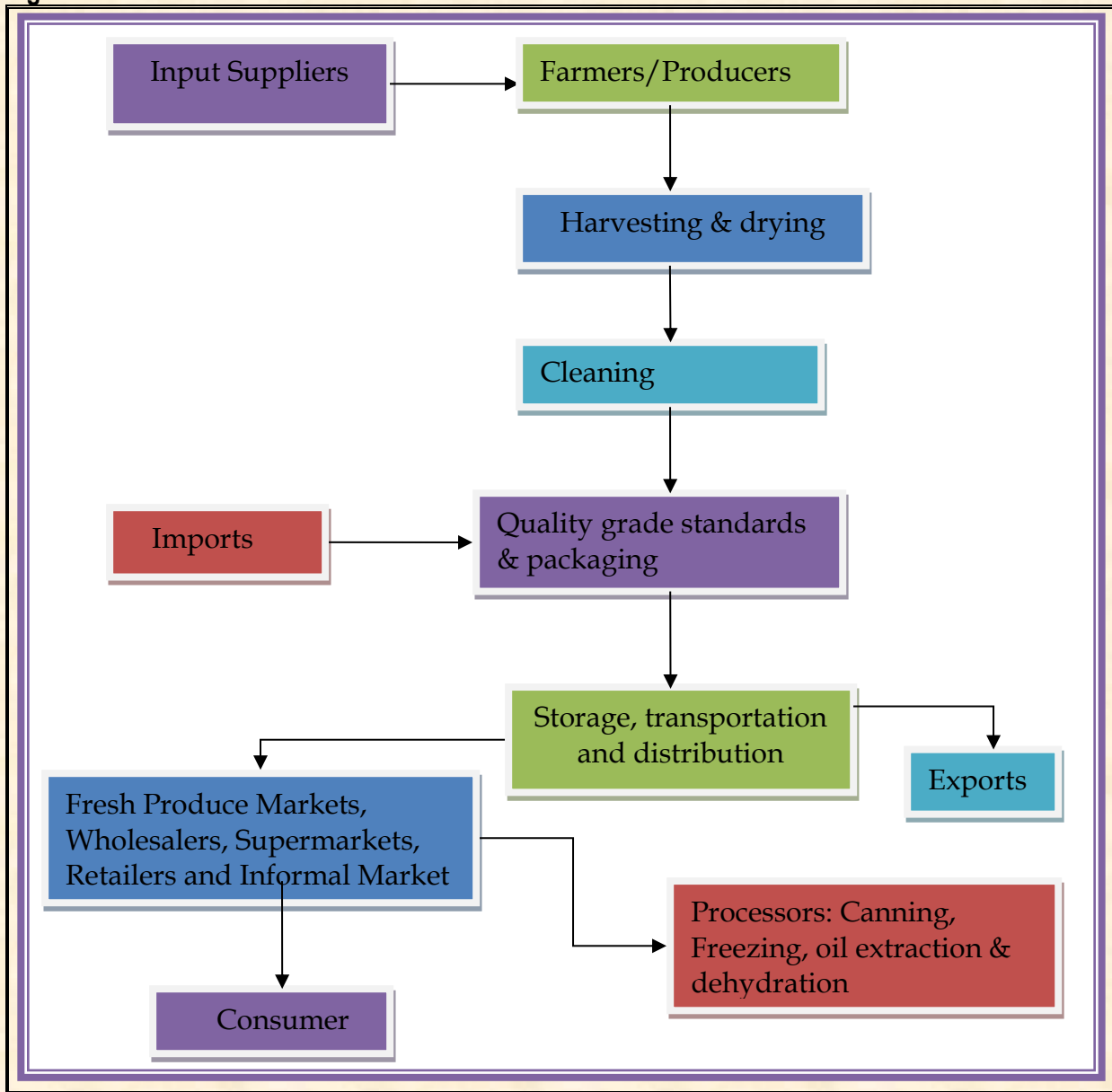


Figure 26: Market value chain for onion



The onion value chain can be broken down into the following levels: the producers of onions (farmers); pack house owners clean, grade and quality control); cold storage and transport facilities store and transport onion on behalf of farmers); traders in onions (market and sell onions); processors (who add value to onions and process onions to other usable forms); and end users (consumers)

3. MARKET INTELLIGENCE

3.1 Tariffs

Tariffs applied by the various countries to onion originating from South Africa during 2019 and 2020 are presented in Table 12.

Table 12: The following tariffs were applied by various export markets to onions from South Africa

Country	Product description (H070310)	Trade regime description	Applied tariff	Estimated total ad valorem equivalent tariff	Applied tariff	Estimated total ad valorem equivalent tariff
			2019		2020	
Angola	Onion & shallots fresh or chilled	MFN duties (Applied)	50.00%	50.00%	50.00%	50.00%
Congo	Onion fresh or chilled	MFN duties (Applied)	20.00%	20.00%	20.00%	20.00%
Botswana	Onion fresh or chilled	Intra SACU rate	0.00%	0.00%	0.00%	0.00%
China	Onion & shallots fresh or chilled	MFN duties (Applied)	13.00%	13.00%	13.00%	13.00%
DRC	Onion fresh or chilled	MFN duties (Applied)	10.00%	10.00%	10.00%	10.00%
Egypt	Onion & shallots fresh or chilled	MFN duties (Applied)	5.00%	5.00%	5.00%	5.00%
Turkey	Onion & shallots fresh or chilled	MFN duties (Applied)	49.50%	49.50%	49.50%	49.50%
France	Onion fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
Germany	Onion fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
India	Onion & shallots fresh or chilled	MFN duties (Applied)	0.00%	0.00%	0.00%	0.00%
Ireland	Onion & shallots fresh or chilled	Preferential tariff	0.00%	0.00%	0.00%	0.00%
Lesotho	Onion fresh or chilled	Intra SACU rate	0.00%	0.00%	0.00%	0.00%
Malawi	Onion fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
Mauritius	Onion fresh or chilled	MFN duties (Applied)	0.00%	0.00%	0.00%	0.00%

Country	Product description (H070310)	Trade regime description	Applied tariff	Estimated total ad valorem equivalent tariff	Applied tariff	Estimated total ad valorem equivalent tariff
			2019		2020	
United Arab Emirates	Onion fresh or chilled	MFN duties (Applied)	10.00%	10.00%	10.00%	10.00%
Mozambique	Onion and shallots fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
Namibia	Onion fresh or chilled	Intra SACU rate	0.00%	0.00%	0.00%	0.00%
Netherlands	Onion fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
Eswatini	Onion & shallots fresh or chilled	Intra SACU rate	0.00%	0.00%	0.00%	0.00%
United Kingdom	Onion sets fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
United States of America	Onion fresh or chilled	Preferential tariff for GSP countries	0.00%	0.00%	0.00%	0.00%
Zambia	Onion and shallots fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%
Zimbabwe	Onion & shallots fresh or chilled	Preferential tariff for South Africa	0.00%	0.00%	0.00%	0.00%

Source: Market Access Map

During 2020, South Africa's onion export markets were still mainly in African countries (Mozambique, Angola, and Zambia). Angola still highly protected by a 50% tariff on onion exports originating from South Africa. Angola export market is highly protected, despite the existence of SADC-FTA. Zambia and Mozambique apply a 0% preferential tariff to onion from South Africa. In 2020, South Africa also exported a notable percentage of onion exports to Botswana, France, United Kingdom, Netherlands and Eswatini. The Democratic Republic of Congo applies a 10% tariff to onion originating from South Africa. Botswana and Eswatini apply 0% Intra- SACU rate to onion export originating from South Africa. South Africa's exporters can look for the onion export market in European countries (Netherlands, France and United Kingdom) as they apply a 0% preferential tariff to onion exports originating from South Africa. Congo was amongst the export destination for onion exports from South Africa and this country applies a 20% tariff. China and Egypt are amongst the top countries producing onions and their domestic markets are still protected by 13% and 5% tariff. India is the second onion exporter in the world, and it has reduced its tariff to 0%. Turkey has increased its onion import from the by world by 46% and its domestic market is protected by 49.50% tariff.

3.2 Non-tariff barriers

3.2.1 The European Union

Non-tariff barriers can be divided into those that are mandatory and laid out in the EU Commission's legislature, and those that are as a result of consumers, retailers, importers and other distributions' preferences.

Product legislation: quality and marketing

There are a number of pieces of EU legislation that govern the quality of produce that may be imported, marketed and sold within the EU.

General Food Law covers matters in procedures of food safety and hygiene (micro-biological and chemical), including provisions on the traceability of food (for example, Hazard Analysis and Critical Control Points, of HACCP).

EU Marketing Standards, which govern the quality and labelling of vegetables, are laid out in the CAP framework under regulation EC 2200/96. These regulations include diameter, weight and class specifications, and any produce that does not comply with these standards are not allowed to be sold on the EU markets (detailed lists of products and their standards can be found in the annexes to the directive). The legislation (under EU 1148/2001) also dictates that a Certificate of Conformity must be obtained by anyone wishing to export and sell vegetables in the EU, if that particular vegetable falls under the jurisdiction on the EU marketing standards, vegetables to be used in further processing needs a Certificate of Industrial Use, whilst another legislative directive covers the Maximum Residue Limits (MRL) of various pesticides allowed.

3.2.1 (b) Product legislation: phytosanitary regulations

The international standard for phytosanitary measures was set up by the International Plant Protection Committee (IPPC) to protect against the spreading of diseases or insects through the importation of certain agricultural goods. The EU has its own particular rules formalized under EC 2002/89, which attempts to prevent contact of EU crops with harmful organisms from elsewhere in the world.

The crux of the directive is that it authorizes the Plant Protection Services to inspect a large number of vegetable products upon arrival in the EU. This inspection consists of a physical examination of a consignment deemed to have a level of phytosanitary risk, identification of any harmful organisms and certification of the validity of any phytosanitary certificate covering the consignment. If the consignment does not comply with the requirements, it may not enter the EU, although certain organisms can be fumigated at the expense of the exporter.

3.2.1(c) Product legislation: packaging

The EU commission lays down rules for materials that come into contact with food and which may endanger people's health or bring about an unacceptable change in the composition of the foodstuffs. The framework legislation for this EC 1935/2004. Recycling packaging materials are also emphasized under 94/62/EC, whereby member states are required to recycle between 50% and 65%

of packaging waste. If exporters do not ship produce in packaging which is reusable, they may be liable for the costs incurred by the importing companies. Wood packaging is subject to phytosanitary controls (see Directive EC 2002/89) and may need to undergo heat treatment, fumigation, etc.

3.2.1. (d) Non-legal market requirements: social and environmental accountability

To access a market, importers must not only comply with the legal requirements set out above, but also with market requirements and demands. For the most part, these revolve around quality and the perceptions of European consumers about the environmental, social, health and safety aspects of both the products and the production techniques. Whilst supplying vegetables that complies with these issues may not be mandatory in the legal sense, they are becoming increasingly important in Europe and cannot be ignored by existing or potential exporters.

(i) Social responsibility is becoming important in the industry, not only amongst consumers, but also for retail outlets and wholesalers. The Social Accountability 8000 (SA8000) certification is a management system based on International Labour Organization (ILO) conventions, and deals with issues such as a child labour, health and safety, and freedom of association, and requires an on-site audit to be performed annually. The certificate is seen as necessary for accessing any European market successful. The major retailers in the EU also play an important role in tackling environmental issues, which means that exporters have to take these into account when negotiating exporting arrangements.

(ii) Environmental issues are becoming increasingly important with European consumers. Consumer movements are lobbying against purchasing non-environmentally friendly or non-sustainable produce. To this end, both governments and private partners have created standards (such as ISO 14001 and EUREPGAP) and labels to ensure produce adhere to particular specifications. Labels are an absolute must for exporters attempting to enter the rapidly expanding organic produce market. The EU Commission has recently adopted an EU label for identifying food produced according to EU organic standards in the directive EEC 209/91.

3.2. 1(e) Consumer health and safety requirements

Increasing consumer conscience about health and safety issues has prompted a number of safety initiatives in Europe, such as EUREPGAP on good agricultural practices (GAP) by the main European retailers, the international management system of HACCP, which is independently certified and required by legislation for European producers as well as food imported into Europe (EC 852/2004), and the ISO 9000 management standards system (for procedures and working methods), which is certified by the International Standards Organization (ISO).

3.2.2 The United States

The USDA has quality standards for vegetables that provide a basis for domestic and international trade and promote efficiency in marketing and procurement. At the same time the USDA issues quality certificates based on these standards and a comprehensive grading system. Graders are located around the country at terminal markets. These certification services, which facilitate the ordering and purchasing of products by large-volume buyers, assure these buyers that the product

they purchase will meet the terms of the contract in terms of quality, processing, size, packaging and delivery.

3.2.3 Asian Market Access

Japan's agricultural sector is heavily protected, with calculations from the Organization for Economic Co-operation and Development (OECD) estimating that almost 60% of the value of Japan's farm production comes from trade barriers or domestic subsidies. Japan uses tariff rate quotas (TRQ) to protect its most sensitive products, and reserves the right for trading many of these products (within the quota) for one or two state trading enterprises. However, these extremely protective measures apply only to some products; others are able to compete more effectively with outside competition, often on the grounds of higher quality.

Perhaps the biggest barrier to trade with Japan in vegetable markets is its strict phytosanitary requirements, which have often been challenged in the WTO as having little or no scientific justification. Other measures that are being challenged include Japan's use of fumigation on agricultural products when cosmopolitan pests (already found in Japan) are detected. Japan is also increasing its labelling requirements.

4. GENERAL DISTRIBUTION CHANNELS

There are roughly three distinct sales channels for exporting vegetables. One can sell directly to an importer with or without the assistance of an agent (usually larger, more established commercial farms). One can supply a vegetable combine, which will then contract out importers/marketers and try to take advantage of economies of scale and increased bargaining power. At the same time vegetable combines might also supply large retail chains. One can also be a member of a private or co-operate export organization (including marketing boards) which will find agents or importers and market the produce collectively. Similar to a vegetable combine, an export organization can either supply wholesale markets or retail chains depending on particular circumstances. Export organizations and marketing boards will wash, sort and package the produce.

5. LOGISTICAL ISSUES

5.1 Mode of transport

The transportation of vegetables falls within two categories – *ocean cargo* and *air cargo* – with ocean cargo taking much longer to reach the desired location but costing considerably less. Of course, the choice of transportation method depends, for the most part, on the fragility of the produce and how long it can remain relatively fresh. With the advent of technology and container improvements, the feasibility, cost and attractiveness of sea transportation have improved considerably. As more developing countries begin to export and supply major developed countries markets, so the number and regularity of maritime routes, and the container vessels travelling these routes, increase.

Presently South American countries like Peru benefit from the asparagus trade, which has led to some level of economies of scale with other vegetable products, and this has enabled cheaper transport prices for their other vegetable varieties. Such economic of scale could benefit SADC

countries if more producers became exporters and took advantage of the various ports which have special capabilities in handling vegetable produce (for example, the proposed terminal in Maputo).

5.2 Cold chain management is crucial when handling perishable products, from the initial packing houses to the refrigerated container trucks that transport the produce to the shipping terminals, through to the storage facilities at these terminals (and their pre-cooling capability), onto the actual shipping vessels and their containers, and finally on to the importers and distributors that must clear the produce and transport it to the markets/retail outlets, etc. For every 10°C increase above the recommended temperature, the rate of respiration and ripening of produce can increase twice or even thrice. Related to this are the increasingly important traceability standards, which require an efficiently controlled supply chain and internationally accepted business standards.

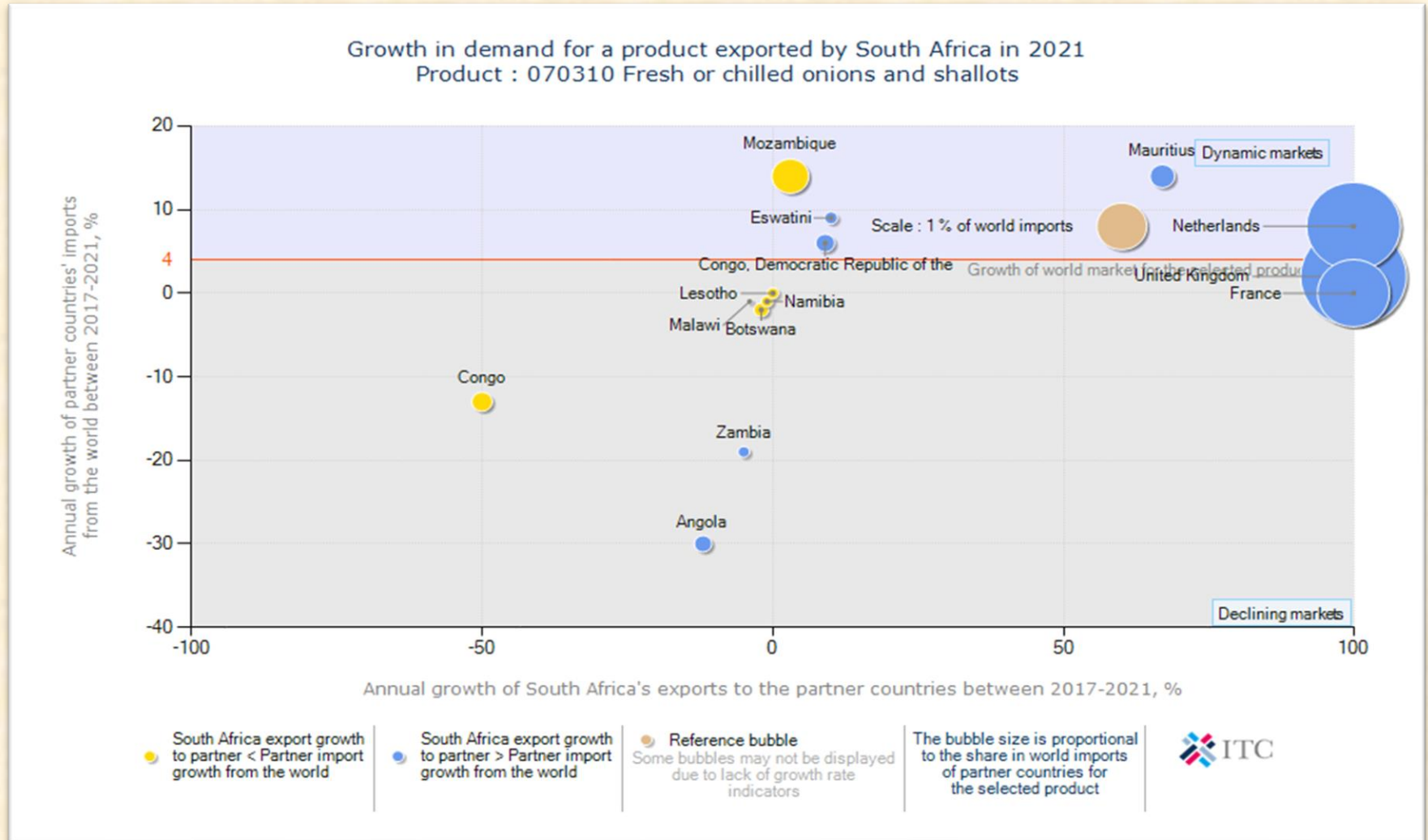
5.3 Packaging also plays a vital role in ensuring safe and efficient transport of a product and conforming to handling requirements, uniformity, recyclable materials specifications, phytosanitary requirements, proper storage needs and even attractiveness (for marketing purposes).

6. COMPETITIVENESS OF SOUTH AFRICAN ONION EXPORTS

Figure 27 below, it is evident that South Africa onion exports are growing faster than the world imports into United Kingdom, Mauritius, Eswatini, Netherlands and Democratic Republic of Congo. South Africa has gained market share in these dynamic markets. South Africa's onion exports to Malawi, Mozambique and Lesotho are growing slower than the world imports into these countries and these markets are regarded as a loss in the dynamic market. South Africa's onion exports to Angola are increasing while world imports are declining into this country. South Africa's performance is regarded as a gain in declining markets. South Africa onion exports to Namibia, Congo and Botswana are declining faster than the world imports into these countries.

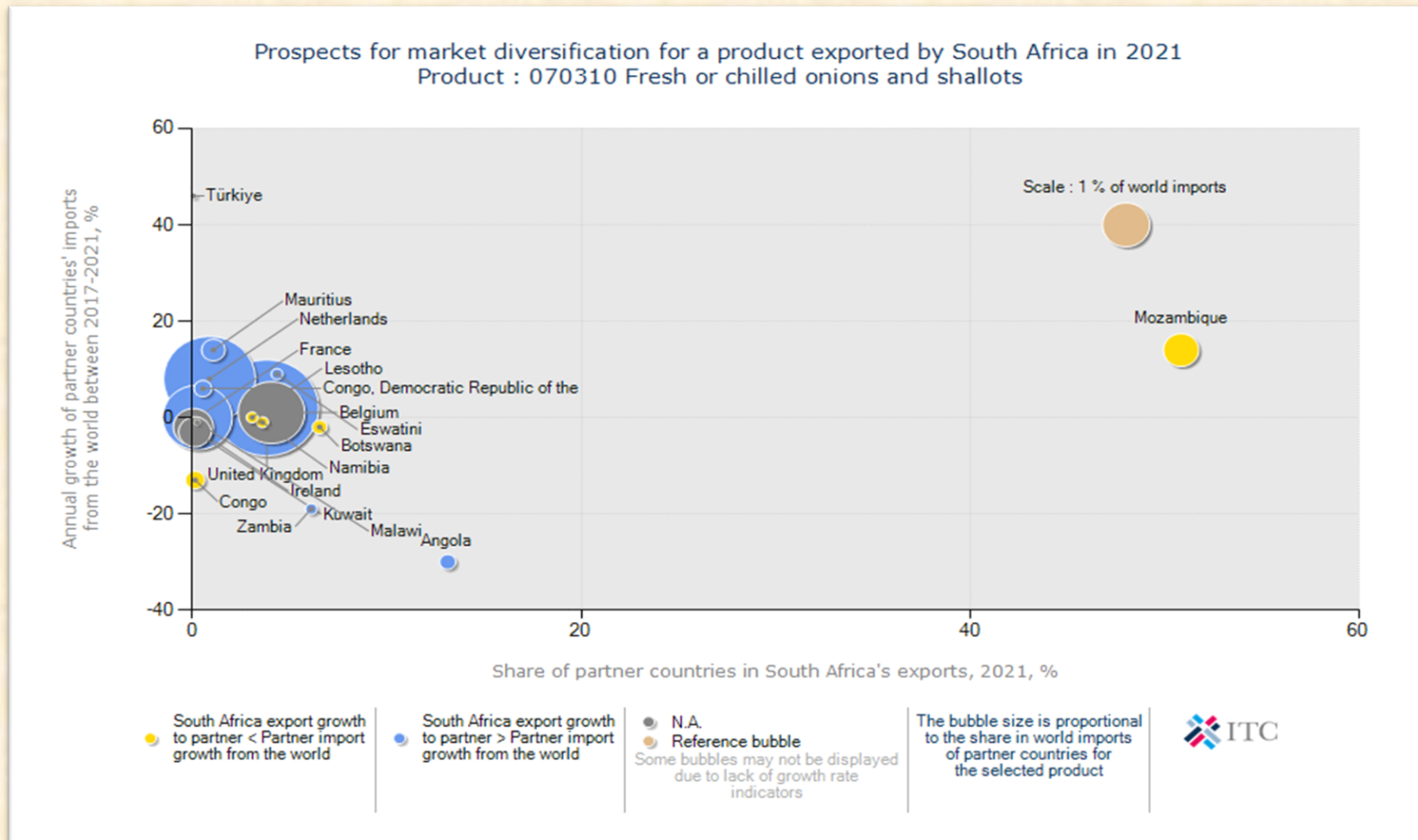
Figure 28 below, shows that Mozambique was still the largest market for onion exports originating from South Africa. Prospective markets for exports of onion are mainly in the United Kingdom and Mauritius. Other smaller markets exist in Belgium. However, if South Africa has to diversify its onion exports, the most lucrative market exists in the Turkey, which has increased its onion imports from the world by 46% between the 2017-2021 period. Congo, Angola, Zambia, Kuwait, Botswana and Kuwait have experienced negative growth during the 2017- 2021 period.

Figure 27: Growth in demand for onions exported by South Africa in 2021



Source: ITC Trade Map

Figure 28: Prospects for market diversification for onions exported by South Africa in 2021



Source: ITC Trade Map

7. OPPORTUNITIES AND CHALLENGES

7.1 Opportunities

Onion has natural qualities that make them attractive to consumers, particularly in today's health-conscious market. For centuries, onions have been thought to have certain medicinal and disease prevention powers; modern science has begun to show that there may be capable on inhibiting the growth of certain cancer. Onions also contain compounds that reportedly reduce blood cholesterol levels and contain Vitamin C. The above development can increase onion demand

Changing consumer trends are creating further opportunities for the onion industry. South African biggest onion producer Wildeklawer, in Northern Cape, will be producing sweet onion variety which does not cause tears and they contain a variety of elements which are beneficial to health. The sweet onion has successfully tempted millions in America, Europe and Australia. Sweet onion is said to contain the nutrients of serving vegetables, fat-free, high in fibre, natural sugar, Calcium, Potassium, Phosphorus and Vitamin C. The producer has travelled around the world to find suitable sweet onion cultivar for the South African market and is sure the sweet onion will have a major impact in South Africa.

7.2 Challenges

A major challenge for the onion industry is to keep competitive against the pressure of rising production cost. The industry is also subjected to intense international competition in the marketplace. For most of the year, the storage of onion crops set the pricing tone on the market. Since storage onions represent a majority of the crop, prices tend to be lowest around the peak of harvest.

9. ACKNOWLEDGEMENTS

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Market Access Map

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International Trade Centre (ITC)

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Economic Research Service/USDA

Wildeklawer Farm

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Mayford Seeds

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