



Keimoes-Upington N14, 2km, Keimoes, Northern Cape, South Africa  
PO Box 767, Keimoes, 8860, South Africa  
Tel: +27 (0)54 337 8660  
Email: [info@redsuns.co.za](mailto:info@redsuns.co.za) [www.redsuns.co.za](http://www.redsuns.co.za)



## REDSUN RAISIN REPORT #7 – 2020 SOUTH AFRICAN RAISIN CROP JUNE 2020

### HIGHLIGHTS FROM THIS REPORT

**Winter has arrived at Redsuns**

**How is COVID-19 affecting the raisins**

**Delays in departure dates for shipping**

**Organic and Pesticide Free Raisins**

**South African 2020 raisin crop – a new record in size**

**Export volumes as at 31 May 2020**

**The SA Pecan crop starts**

### Winter has arrived at Redsuns

In a chaotic world, it is wonderful to report that Nature is delivering winter into the South African raisin country, “as per normal”. We are experiencing some really cold days of below 0°C temperatures. This is what should be happening. The sun is shining in our part of the World, and the daytime temperatures will go to 17°C today. For the Redsuns staff working on smaller, but more spread out shifts, those 22h00 to 06h00 shifts are not the most popular ones to work. They are rotated among all the workers equally.



A cold morning at Redsuns 15 June 2020. A public holiday in SA.

The leaves of the vines are turning brown. They will now start to fall. This week, Redsun will receive many requests from small scale farmers to give financial assistance to enable them to pay labour to prune their vines over the next few weeks.

Farmers who farm both wine grapes and drying grapes have not received any money from the local wine co-operative to whom they deliver their wine grapes. The COVID-19 regulations have prohibited sale of alcohol, in South Africa and therefore, the ability for the cellars to pay the farmers. Once again, we are grateful that raisins could continue to operate without interruption.

There are now more farmers than before who are determined to remove their wine grape varieties and to use their land to produce more raisins.

### **How is COVID-19 affecting the raisins**

South Africa is now at 70,038 cases of COVID -19 virus infections. Of those, 55% have recovered. There have been 1480 deaths.

The Cape Province now accounts for 61% of the South Africa's COVID-19 cases. That is the Epicentre of the pandemic in South Africa at present. The province has been handling the matter well with a number of new temporary hospitals opening. Last week a new 835 bed temporary hospital opened in the Cape Town Convention centre. That is in the middle of Cape Town.

Northern Cape Province is where the Redsun factory is located. We have todate counted 157 positive cases in the province. That is 0,2% of all cases in South Africa. Our province is home to 2% of the South African population. Therefore, Redsun's biggest challenge is to enforce compliance with our sanitising regulations among our staff. Unfortunately, every staff member goes home every night. We encourage them to maintain similar sanitising measures at home and to report to Redsun any COVID 19 symptoms displayed by people living with them at home.

Food production continues to enjoy precedence in South Africa and Redsun, along with other raisin processors continue to receive encouragement and support from official sources. We have been fortunate with our staff not encountering problems with roadblocks in place in their journey to and from work. This is despite the unsociable hours as we have split our production into three different time slots to reduce the number of personnel on site at any moment.

The virus is coming closer and at Redsun, and we know the worst is yet to come. We are now familiar with strict protocol required in taking measures to ensure the safety of our staff.

### **Delays in departure dates for shipping**

One area where we are experiencing problems is the shipping of our containers. The Cape Town harbour is experiencing delays of between 7-14 days in shipping our containers. The shipping line used by Redsun normally have weekly sailing schedules. Delays in Cape Town are caused by two main reasons

1. COVID 19 has impacted the labour in Cape Town. As the Western Cape has 61% of SA's positive cases, labour working in the harbour are hesitant to travel and are therefore unreliable to assist in the operation of loading and unloading the containers,
2. The winter weather conditions in Cape Town have brought strong winds and high seas, making it difficult to bring the vessels into harbour and load. The enclosed photo

illustrates the unusual sight of container vessels anchored off the harbour. Some vessels cannot be delayed, and sail past the harbour on their way to USA or Europe.

Redsun is investigating the possibility of rerouting our shipping to Durban. The weather is calm and the COVID -19 does not have such an impact yet.

Redsun apologises for the inconvenience caused by the harbour delays. Please note the dates shown on our twice weekly shipping reports sent to our customers, giving the most up to dated information regarding every container we are shipping. We confirm that most of our production at the factory is on schedule according to your contractual requirements.



An unusual sight in Cape Town. container ships moored outside the harbour

### **Organic and Pesticide Free Raisins**

Redsun can offer organic EU certified Thompson raisins. This is a process Redsun is undergoing with our growers. We started by encouraging farmers to produce raisins free of any pesticides at all. That project is going very well with more and more farmers recognising that it is possible to produce raisins in South Africa without pesticides. These icy cold days help to naturally kill off insect pests and mould spores that may exist in the vineyards.

In 2020 we had our first producer to be certified EU Organic, and now we have 7 farmers who are on the programme to become certified for organic. Redsun assists with the consultant and the process required. Furthermore, our “pesticide free” program enables the farmer to secure a slightly higher price for his pesticide free raisins at Redsun, during the three year conversion period to achieve organic certification.

Pesticide free raisins is one of the major objectives at Redsun. We work continually with our farmers (253 farmers delivered to Redsun during 2020) to encourage them to be very careful about any substance they wish to use on their vines. We do have Stry's Strauss and Lorna Basson at Redsun, who are both very qualified to advise farmers on the benefits of pesticide free production. Redsun believes this is the sustainable way to the future of raisin production, within an environment of growing crop volumes.

In this regard, Redsun invites our customers to monitor the pesticide level of our raisins. We will be happy to provide an analysis of the residue levels for any container ordered, without additional cost to the customer.

### **South African 2020 raisin crop – a new record in size**

According to the statistics received from Raisins SA, (the statutory company managing the Industry in South Africa) the 2020 crop is now officially at 83,162,181 mt. A new record for the SA industry. A short summary follows:

<b>Variety</b>	<b>2019 Crop year %</b>	<b>2020 crop year %</b>
All Varieties in mt	74,162,181 mt	83,162,181 mt
Thompsons	62%	40%
Goldens	19%	32%
Flames	8%	6%
Currants	2%	6%

Redsun is very aware, that big bunches of grapes (or heavy fruit carry) does not always result in good quality. We go back to Nature. Farmers need to cut back the fruit at an early stage of development, to give the plant more opportunity to fully nourish the fruit. That gives you a fully succulent, sugar filled raisin in the end. Therefore, big volumes, is not all good. Quality is more important. We advise farmers to restrict production of grapes to 35mt per ha. That is a good balance between volume and quality. That is 7mt of raisins per ha.

Redsun bought 14,589mt of farmer's stock raisins from the 2020 crop. That is a new record for Redsun. Our factory capacity is designed at 15,000mt. Therefore, we must start considering some growth plans if we are going to keep pace with the growth in the SA industry. We are working on it now.

### **Export volumes as at 31 May 2020**

Exports from South Africa for the 2020 year to 31 May 2020 is 16,033mt. Exports to Africa (mainly goldens) have remained similar to 2019 volume. Exports to Europe are down by 477mt over the period, while exports to USA and Canada are up by 1,073mt.

Redsun considers these 2020 sales volume figures to be low, if one takes into account the low price of the SA origin raisins, compared to other origins and compared to 2019 prices. We are not sure what the SA domestic market sales volume is, however, we understand this information will be forthcoming shortly.

Sales are progressing well at Redsun where we are 74% sold on our 2020 crop. We will be processing the 2020 crop until February 2021.

### **The SA Pecan crop starts**

Pecans are now being harvested. South Africa is anticipating to have a record crop of pecans of 20,000mt. This is compared to the 2019 pecan crop in South Africa of 16,543mt. Pecans are a crop well suited to the Orange River area. They like the heat, and the cold weather, while needing good volumes of water.

Redsun currently has 90 pecan farmers on our database along the Orange River, with orchards varying in size. The total size of planting is 2,391ha that we know of along the Orange River.



This represents about 26% of the SA crop. These trees are mainly young and not yet producing pecans. Only 25% of these hectares are over 9 years old and producing. The balance is in various stages of development. There are 3 farmers each with more than 100ha of trees , while 8 farmers have more than 50ha, but less than 100ha. The rest are between 1ha and 50 ha. The majority of the farms are east of Upington. Plantings stretch from Groblershoop in the east to Augrabies Falls in the West. (Redsun sits in the middle)

Redsun did not proceed to build our pecan cracking factory for the 2020 crop, due to the uncertainties associated with the Chinese market for inshell pecans. Things seem to be progressing with the Nut in Shell sales to China, although at lower USD prices compared to 2019, and the delivery dates are delayed by about 1 month.

There are presently 25 packers of pecans in South Africa, all of whom pack the product NIS and sell to China. There are only three processors of pecan kernel with the required food compliance certification to export kernel. Redsun intends to be the fourth factory in the very near future. Now, Redsun can supply nut in shell 2020 crop packed in 25kg bags.



Pecans from the 2020 crop in South Africa.

Peter Kuilman  
[peter@redsun.co.za](mailto:peter@redsun.co.za)  
+27 83 283 6744