

**Voluntary Report** – Voluntary - Public Distribution

**Date:** August 11, 2023

**Report Number:** SF2023-0024

## **Report Name:** Surging Rapeseed Production

**Country:** South Africa - Republic of

**Post:** Pretoria

**Report Category:** Oilseeds and Products

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### **Report Highlights:**

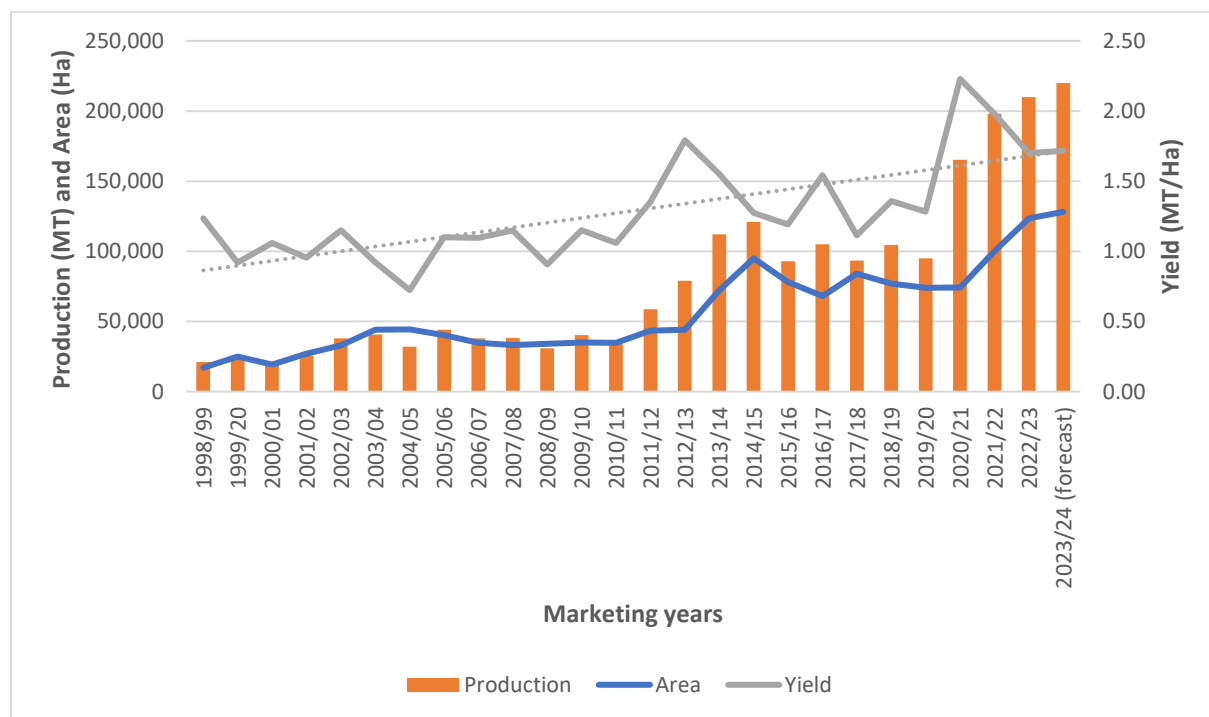
Post estimates that South Africa will produce a record rapeseed (locally called canola) crop of 220,000 metric tons in marketing year 2023/24. Rapeseed production in South Africa grew by 7-fold during the past 20 years after it was first introduced in the late 1990s. Constant yield growth from new cultivars combined with firm crush demand because of escalating vegetable oil prices supported the expansion in rapeseed production. As a result, South Africa started exporting rapeseed as local processing capacity is limited. Rapeseed exports should reach record levels in marketing year 2023/24.

## Production

South Africa is on track for record high rapeseed production in marketing year (MY) 2023/24 driven by record rapeseed plantings and favorable weather conditions. The area planted with rapeseed increased by 4 percent from the previous year to reach a record of 128,100 hectares (ha). Assuming a 5-year average yield, South Africa could realize a historically high rapeseed crop of about 220,000 metric tons (MT) in MY 2023/24, an increase of 5 percent from the previous marketing year (see Figure 1 and Table 1).

**Figure 1**

*Trends in Area Planted, Production and Yields of Rapeseed in South Africa*



**Source:** South African Grain Information Services (SAGIS)

Rapeseed production started in South Africa in the late 1990s with five farmers planting 400 ha after Southern Oil Pty Ltd (SOILL) opened a rapeseed oil refinery in the Western Cape province. The opening of the processing facility's doors in 1996 supplied farmers with a new market opportunity and expanded the number of crops in the rotation programs. The area under rapeseed expanded steadily over the years to the current record of 128,100 ha under cultivation. Constant yield growth from new cultivars combined with firm crush demand because of escalating vegetable oil prices supported the expansion in rapeseed area. South African producers benefit from international seed technology and investments into local multiplication of rapeseed varieties that reduce the use of farm-saved seed and support yield gains over time.

While rapeseed is mainly produced during summer season in colder regions of the world, the growing season in South Africa is in the winter months (May to August) and harvesting takes place in the spring (October-November). The Western Cape province, a winter rainfall region, accounts for the majority of South Africa’s rapeseed production, with a small quantity produced in the Eastern Cape province. Most of the rapeseed is produced under rain-fed conditions. Rapeseed has also proven efficient in a rotation system with other winter crops like barley and wheat.

The following table reflects the area planted, yield and production figures of rapeseed in South Africa for MY 2021/22, MY 2022/23 and MY 2023/24 (forecast).

**Table 1**

*Area Planted and Production of Rapeseed in South Africa*

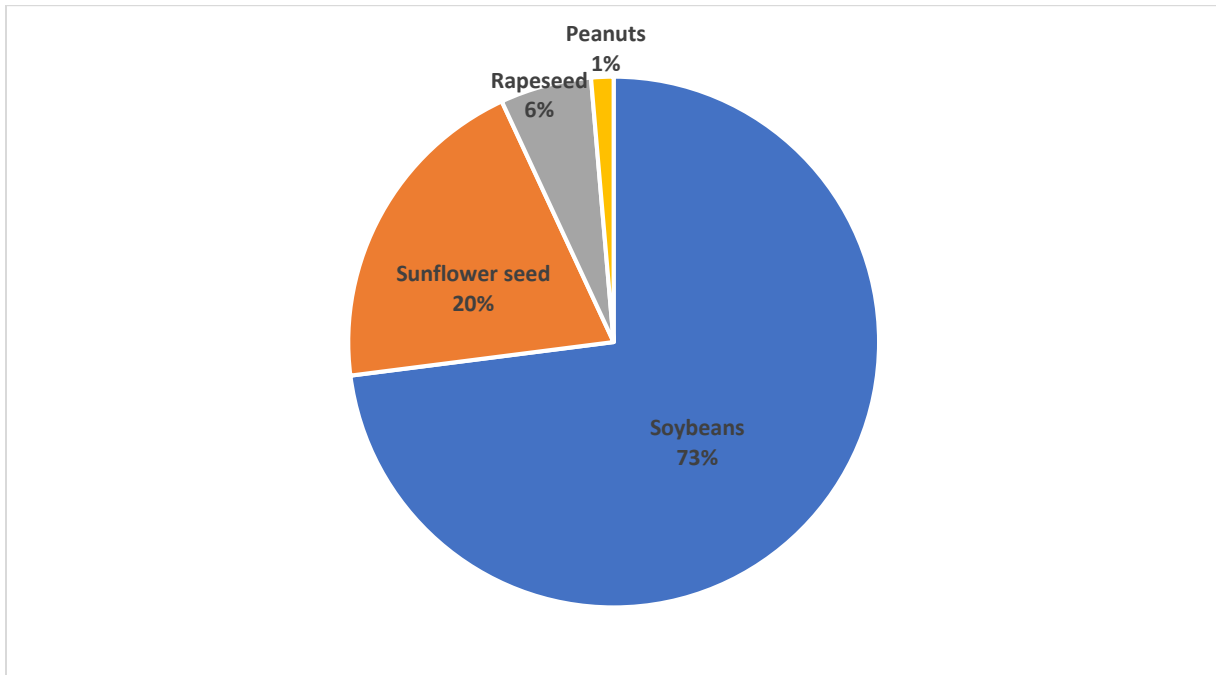
<b>MY</b>	<b>Area (1,000 ha)</b>	<b>Yield (MT/ha)</b>	<b>Production (1,000 MT)</b>
<b>2021/22</b>	100	2.0	198
<b>2022/23</b>	124	1.7	210
<b>2023/24 (forecast)</b>	128	1.7	220

**Source:** Crop Estimates Committee (CEC)

Though rapeseed production amplified by 7-fold during the past 20 years, it still contributes to only a small percentage to South Africa’s total oilseed production. In MY 2022/23 it accounted for 6 percent of total oilseed production, while soybeans and sunflower seeds accounted for 73 percent and 20 percent, respectively (see Figure 2).

**Figure 2**

*Contributions to South Africa's Total Oilseed Production*



**Source:** SAGIS

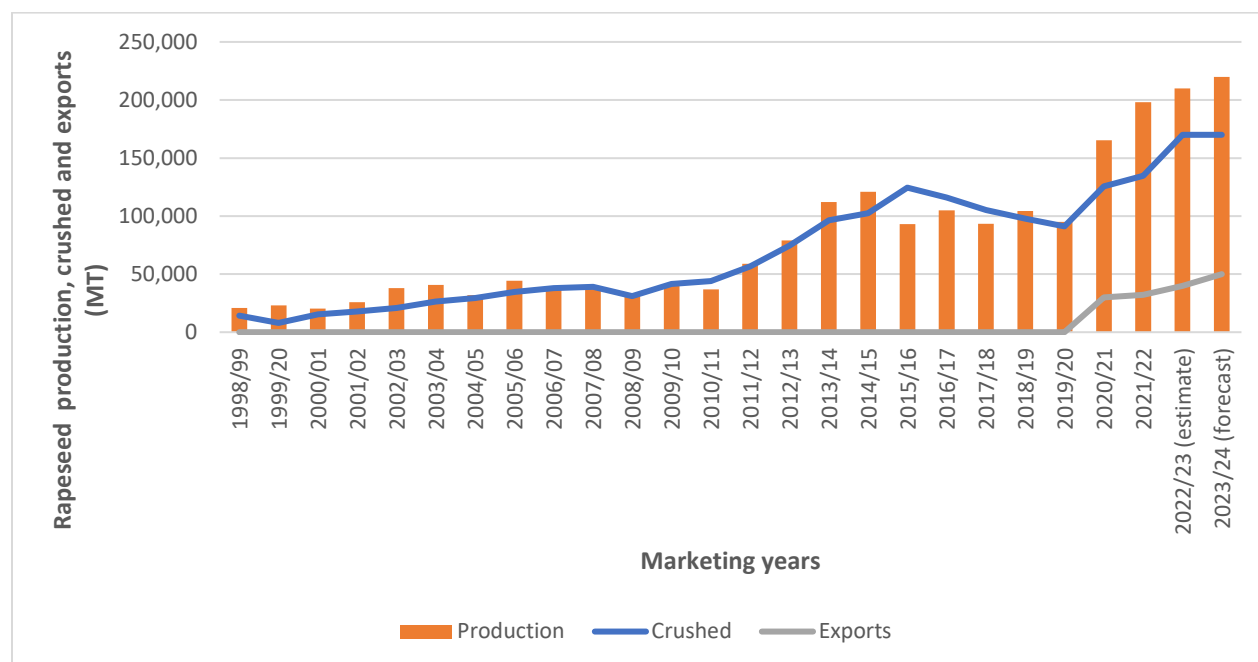
### **Consumption**

Rapeseed is mainly grown to be consumed as an edible oil. The oil is low in saturated fats and high in monounsaturated fats, which makes it a healthier alternative to vegetable oils on the market. Hence, the bulk of rapeseed crop in South Africa is crushed to produce edible oil for human consumption (see Figure 3 and Table 2). Besides cooking oil, rapeseed meal, a byproduct from the extraction process is also used as livestock feed as a respectable source of protein. Rapeseed meal has an ample offtake in dairy and pork production systems in the Western Cape province.

When crushed, rapeseed yields between 40 percent and 44 percent of oil and between 53 percent and 60 percent of rapeseed meal. South Africa's rapeseed processing capacity is estimated at 175,000 MT per annum. SOILL currently remains the sole buyer and processor of rapeseed in South Africa. The growth in rapeseed production in South Africa will necessitate future investments in expanding processing facilities and could also contribute towards additional replacement of presently imported vegetable oil. The rapeseed marketing season in South Africa commences on the 1<sup>st</sup> of October annually and ends on the 30<sup>th</sup> of September the following year.

**Figure 3**

*Rapeseed Production, Processing, and Exports*



Source: SAGIS

**Table 2**

*The Utilization of Rapeseed in South Africa*

Rapeseed (1,000 MT)	MY2021/22 (actual)	MY2022/23 (estimate)	MY 2023/24 (forecast)
Crush	135	170	170
Feed, seed & waste	6	6	6
Exports	32	39	50
<b>TOTAL</b>	<b>173</b>	<b>215</b>	<b>226</b>

Source: SAGIS, Post estimates and forecasts

**Trade**

South Africa exported rapeseed seed for the first time in MY 2020/21 with 30,000 MT that was shipped to Germany, after a 70 percent surge in local production. Rapeseed seed exports continued in MY 2021/22 and MY 2022/23 with 32,000 MT and 39,000 MT destined for Germany and Belgium, respectively. Post forecasts that rapeseed seed exports will continue in MY 2023/24 and should reach record levels of approximately 50,000 MT.

**Table 3***South Africa's Exports of Rapeseed in MY 2020/21, MY 2021/22 and MY 2022/23*

<b>Destination</b>	<b>MY 2020/21 (MT)</b>	<b>MY 2021/22 (MT)</b>	<b>MY 2022/23 (MT)</b>
Germany	30,047	32,297	
Belgium			38,574
<b>Total</b>	<b>30,047</b>	<b>32,297</b>	<b>38,574</b>

**Source: SAGIS****Table 4***Rapeseed Production, Supply, and Distribution*

<b>Oilseed Rapeseed</b>	<b>2021/2022</b>		<b>2022/2023</b>		<b>2023/2024</b>	
	<b>Oct 2022</b>		<b>Oct 2023</b>		<b>Oct 2024</b>	
<b>Market Year Begins</b>						
<b>South Africa</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Planted</b> (1000 HA)	100	100	125	124	130	128
<b>Area Harvested</b> (1000 HA)	100	100	124	124	128	128
<b>Beginning Stocks</b> (1000 MT)	10	10	23	35	27	30
<b>Production</b> (1000 MT)	198	198	210	210	240	220
<b>MY Imports</b> (1000 MT)	0	0	0	0	0	0
<b>Total Supply</b> (1000 MT)	208	208	233	245	267	250
<b>MY Exports</b> (1000 MT)	40	32	45	39	50	50
<b>Crush</b> (1000 MT)	130	135	145	170	170	170
<b>Food Use Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b> (1000 MT)	15	6	16	6	17	6
<b>Total Dom. Cons.</b> (1000 MT)	145	141	161	176	187	176
<b>Ending Stocks</b> (1000 MT)	23	35	27	30	30	24
<b>Total Distribution</b> (1000 MT)	208	208	233	245	267	250
<b>Yield</b> (MT/HA)	1.98	1.98	1.69	1.69	1.88	1.72
(1000 HA) ,(1000 MT) ,(MT/HA)						

**Attachments:**

No Attachments.