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## Swaziland

### SUGAR ANNUAL

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**Report Highlights:**

Swaziland's sugarcane production for the 2008/09 season is estimated at 5.1 million tons. The 2008/09 season sugar production is estimated at 639,994 tons Tell Quell (662,394 MTRV), 1.39 percent more than the previous season. The forecast for the 2009/10 season is that sugar production will again be above the 630,000 ton Tell Quell level.

**Executive Summary:**

Swaziland's sugar cane production for the 2008/09 season is estimated at 5.1 million tons. The 2008/09 season sugar production is estimated at 639,994 tons Tell Quell (662,394 MTRV). The 2008/09 sugar production is 1.39 percent more than the previous season. The forecast for the 2009/10 season is that sugar production, under normal climatic condition, will be on the same level as the current season.

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<http://www.illovo.co.za>  
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US\$1= R9.12 = E9.12 (04/07/2009)

**Commodities:**

Sugar Cane for Centrifugal

**Production:**

Sugar represents the single biggest industry in Swaziland and accounts for 59 percent of agricultural output, 35 percent of agricultural wage employment, and about 18 percent to the country's Gross Domestic Product. The sugar industry in Swaziland consists of four components, namely, the large millers and estates (77 percent of production); large growers (17 percent), medium size growers (5 percent) and small growers (1 percent). The interests of different industry players are reconciled within the framework of the Swaziland Sugar Association, which through its Council (consisting of Millers and Growers) regulates the industry. While accounting for a smaller volume of total production, the largest number of growers fall under the category of medium and small growers.

Swaziland's sugar cane production for the 2008/09 season (April to March) is estimated at 5.1 million tons. The 5.1 million tons of sugar is the second highest crop ever produced by Swaziland and is 0.75 percent and 3.44 percent more than the 2007/08 and 2006/7 seasons, respectively. The 2008/09 crop is produced on 50,260 hectares which represent a 4.02 percent increase in hectares compared to the 2007/08 season.

The 2008/09 season sugar production is estimated at 639,994 tons Tell Quell (662,394 MTRV). The 2008/09 sugar production is 1.39 percent more than the previous season, due to an increase in the quantity of cane crushed and a better cane/sugar ratio. In Table 1 the production of sugar in Swaziland from the 2006/07 season is detailed.

The forecast for the 2009/10 season is that sugar production, under normal climatic condition, will be on the same level as the current season. It is forecast that 5.060 million sugar cane will be crushed producing 632,513 tons Tell Quell (654,651 MTRV) of sugar.

**Table 1: The production of sugar in Swaziland from the 2006/07 season**

Season	Area Planted	Area harvested	Yield (MT/HA)	Cane crushed	Sugar prod.	Cane/sugar ratio
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	(HA)	(HA)		(MT)	(MT*)	
2006/07	52,233	50,400	97.8	4,930,938	623,357	7.91
2007/08	50,864	48,321	104.8	5,062,880	631,236	8.02
2008/09 est.	52,071	50,260	101.9	5,100,456	639,994	7.97
2009/10 forc.	52,000	50,100	101.0	5,060,100	632,513	8.00

\*Tel Quell x 1.035 = Raw value, Refined x 1.07 = Raw value

### Production, Supply and Demand Data Statistics:

Sugar Cane for Centrifugal Swaziland (1000 HA)(1000 MT)	2008			2009			2010		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Apr 2007			Market Year Begin: Apr 2008			Market Year Begin: Apr 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
		Data			Data			Data	
Area Planted	52	52	51	0	52			52	
Area Harvested	51	51	48	0	50			50	
Production	4,900	4,900	5,063	0	5,100			5,060	
Total Supply	4,900	4,900	5,063	0	5,100			5,060	
Utilization for Sugar	4,900	4,900	5,063	0	5,100			5,060	
Utilizatn for Alcohol	0	0	0	0	0			0	
Total Utilization	4,900	4,900	5,063	0	5,100			5,060	

### Commodities:

Sugar, Centrifugal

### Production:

Swaziland has three sugar mills with an annual production capacity in excess of 600,000 tons. The industry produces raw, refined and VHP (brown) sugar. While all the mills produce raw sugar, only two of these produce both refined and VHP sugar (Mhlume and Ubombo). On the other hand, Simunye does not produce refined sugar.

The 2008/09 season sugar production is estimated at 639,994 tons Tell Quell (662,394 MTRV). The 2008/09 sugar production is 1.39 percent more than the previous season's 631,236 tons Tell Quell (653,329 MTRV). For the 2009/10 season it is forecast that sugar production will continue to be above 630,000 tons. Sugar production for the 2009/10 season is forecasted at 632,513 tons Tell Quell (654,651 MTRV).

Molasses is a by-product of the sugar production process. It is produced at all three mills.

For the 2008/09 season molasses production is estimated at 195,438 tons. This is 3.79 percent more than the 188,316 tons of the 2007/08 season. The two main distillers, USA

Distillers and RSSC Distillers, use most of the molasses for the production of alcohol. The remainder is sold to small local and foreign customers who use it as an input for food production as well as for animal feed.

### Trade:

The Swaziland Sugar Association is responsible for all sale and marketing of sugar produced in Swaziland. The bulk of Swaziland's sugar production is destined for markets outside Swaziland. There are four main international agreements governing Swaziland's sugar sales. These are the SADC Sugar Cooperation Agreement (under which non-SACU SADC sugar producers are allowed duty-free quota access into the SACU market); ACP-EU Sugar Protocol (under which Swaziland can sell a certain amount of sugar duty-free into the EU; this agreement will be replaced by the Economic Partnership Agreement later in 2009); the United States Sugar Program (under which Swaziland has a tariff rate quota); and COMESA derogation (under which Swaziland receives a reduction on sugar import duties levied by non-SADC COMESA countries).

The South African Customs Union (SACU) market is of major significance for Swaziland sugar industries. Swaziland is the second largest supplier of sugar into the SACU market and supplies approximately 16 percent of total sugar sales. The SACU market represents approximately one half of Swaziland's total sugar sales (approximately 310,000 tons). The rest of Swaziland's sugar is exported under one of the international agreements. Sugar sales to the EU amount to about 180,000 tons per annum while sales to the United States amount to about 16,000 tons per annum.

### Production, Supply and Demand Data Statistics:

Sugar, Centrifugal Swaziland (1000 MT)	2008			2009			2010		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Apr 2007			Market Year Begin: Apr 2008			Market Year Begin: Apr 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
		Data			Data			Data	
Beginning Stocks	76	76	76	76	79			80	
Beet Sugar Production	0	0	0	0	0			0	
Cane Sugar Production	650	625	653	650	662			655	
Total Sugar Production	650	625	653	650	662			655	
Raw Imports	0	0	0	0	0			0	
Refined Imp.(Raw Val)	0	0	0	0	0			0	
Total Imports	0	0	0	0	0			0	
Total Supply	726	701	729	726	741			735	
Raw Exports	325	300	325	325	325			325	
Refined Exp.(Raw Val)	25	25	25	12	25			25	
Total Exports	350	325	350	337	350			350	
Human Dom. Consumption	299	299	299	300	310			310	
Other Disappearance	1	1	1	1	1			1	
Total Use	300	300	300	301	311			311	
Ending Stocks	76	76	79	88	80			74	
Total Distribution	726	701	729	726	741			735	