

ACKNOWLEDGEMENTS / BEDANKINGS

A COMPETITIVENESS ANALYSIS OF THE SOUTH AFRICAN FLORICULTURAL INDUSTRY

by

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UITTREKSEL

'N MEDEDINGENDHEIDSANALISE VAN DIE SUID AFRIKAANSE

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Vanuit 'n internasionale mededingendheidsperspektief is die Suid Afrikaanse blombedryf marginaal. Wanneer die vraag-kant van die Suid Afrikaanse blombedryf met die van 24 ander lande vergelyk word vertoon Suid Afrika die heel swakste. Suid Afrika se jaarlikse blomverbruik is sowat R3,04 per kapita wat in skerp kontras staan met Switserland wat R385,00 per kapita verbruik, die hoogste ter wêreld. Die Suid Afrikaanse blombedryf presteer ook nie na wense met betrekking tot die benutting van geleentheid om internasionaal te bemark nie. In vergelyking met 20 van die wêreld se grootste blom uitvoerlande is Suid Afrika die 17^{de} (voorheen 15^{de}) grootste uitvoerder in die wêreld. Suid Afrika kan kers op steek by lande soos Israel, Chili en Zimbabwe wat onderskeidelik die 1^{ste}, 5^{de} en 6^{de} grootste uitvoerlande is.

Aangesien daar 'n groot vraag na Suid Afrikaanse blomme in internasionale markte ondervind word, kan die bogenoemde statistieke nie in isolasie beskou word nie. Redes vir die vraag na Suid Afrikaanse blomme sluit onder andere die unieke biologiese diversiteit van Suid Afrika se inheemse blommeryk en ook die seisoensverskil tussen Suid Afrika en die uitvoermarkte wat hoofsaaklik in die Noordelike-halfrond gesetel is in. As die Suid Afrikaanse blombedryf dus meer mededingend kan wees kan waardevolle buitelandse valuta ingeoes word.

Die mededingendheid van Kenya en Zimbabwe op internasionale vlak bewys dat Afrika lande wel die potensiaal en vermoë het om te kompeteer in die Europese mark. Suid Afrika se mededingendheid in terme van ander uitvoerlande in Afrika kan as volg opgesom word: Suid Afrika het die voordeel van die mees gevorderde ekonomiese en fisiese infrastruktuur, die grootste en mees gesofistikeerde plaaslike blomindustrie en 'n goed ontwikkelde plaaslike mark met 'n groei koers van ongeveer 19% per jaar. Die Suid Afrikaanse produsente

staar egter talle nadele in die gesig, soos hoë invoer tariewe in die Europese Unie, minder gunstige klimaat, hoër arbeidskoste, arbeidsonrus en die feit dat produsente oor 'n groot geografiese area versprei is wat organisasie en kollektiewe bedinging bemoeilik, 'n relatiewe groot plaaslike mark strem ook die druk op produsente om internasionale markte te ontgin.

Om sy volle potensiaal te bereik moet die Suid Afrikaanse blombedryf rekenskap hou met globaliseering en internasionale markte wat al hoe meer toeganklik raak. Suid Afrikaanse blomprodusente kan gevolglik sterker mededingendheid van internasionale produsente in die gesig staar. Die Australiese blombedryf is 'n voorbeeld van 'n nuwe en dinamiese mededinger waarmee Suid-Afrika moet rekenskap hou. Mededinging, veral ten opsigte van die bemarking van unieke inheemse blomme na teikenmarkte in Europa en Japan is besig om te verhoog. Die belangrikheid van die verhouding tussen hierdie twee lande word weerspieël in die feit dat Australië een van Suid-Afrika se vinnigste groeiende uitvoermarkte is en dat Suid-Afrika, Australië se tweede grootste invoerder van blomme is.

Die mededingendheid van die Suid Afrikaanse blombedryf verlang aandag met betrekking tot beleidsaspekte en fokus om sy lewensvatbaarheid te bevorder. Beleidmakers sal moet fokus op die gelykmaking van die speelveld, veral met betrekking tot subsidies en voordelige handelsooreenkomste wat dikwels Suid Afrika se mededingers bevoordeel, veral Sub-Sahara Afrikalande. Op industrievlak behoort op die skepping van "tyd-, plek- en vormnut" gefokus te word sodat produsente die verlangde kwaliteit en kwantiteit op die regte tyd en plek produseer en bemark.

ABSTRACT

A COMPETITIVENESS ANALYSIS OF THE SOUTH AFRICAN FLORICULTURE INDUSTRY by Ignatius Marthinus van Rooyen

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From an international perspective the South African flower industry is marginal. When comparing South Africa's domestic demand to that of 24 countries, South Africa is ranked last with an annual per capita consumption of approximately R3,04 per capita. In contrast Switzerland is ranked number 1 with a per capita consumption of R385,00. In terms of cut flower exports, South Africa is also performing marginally. Out of 20 countries, South Africa performed at number 17. Countries such as Israel - number 1; Chilli - number 5; Zimbabwe - number 6; Equador - number 8 and New Zealand - number 9 outperformed South Africa by far.

The high demand for South African flowers experienced in many international markets provide a sound basis for expanding international trade. Important reasons for this high demand are among others, the production season differential between South Africa and markets in the Northern Hemisphere and South Africa's unique floricultural bio-diversity. The competitiveness of Kenya and Zimbabwe in the international arena is also an indication that African countries have the ability and potential to compete in Europe. Compared to it's African competitors South Africa have a more advanced economic and physical infrastructure, the largest and most developed domestic flower industry and a highly developed domestic market with a growth rate of approximately 19% per annum over the past 5 years. However, the South African grower face numerous disadvantages such as high import tariffs in to the European Union, less favourable climatic conditions for flower production, higher labour costs, labour unrest, difficulty organising growers scattered over such a large geographic area, a lack of motivation to export and a good local market, but one with low standards that does not prepare growers to compete overseas.

Two major forces will have to be dealt with to fulfil the South African flower industry's full potential. These are related to the increasing globalisation and opening up of markets in the international trade. South African flower producers therefore expect to face increasing competition from producers elsewhere in the world. An example of a force that the South African flower industry have to contend with is the Australian flower industry. The Australian flower industry has made substantial progress in recent years. Competition especially with respect to the marketing of unique indigenous flowers to similar target markets in Europe and Japan are intensifying between these two countries. Australia is also one of South Africa's fastest growing export markets and South Africa has grown to the second largest importer of flowers to Australia which is a further implication of the significance of the relationship between South Africa and Australia.

The competitiveness of the South African flower industry should thus receive attention from policy and industry level to promote the viability in the industry. Policies should focus on leveling playing fields, especially in view of the subsidisation and preference trade agreements which often favour competitors, especially countries in Sub-Sahara Africa. Policies should also facilitate the promotion of technology to enable South African producers to compete cost effectively in international markets. At industry level the challenge should focus on the creation of "time, place and form" utility to provide markets with the required product at the required time and place.

TABLE OF CONTENTS

Acknowledgements / Bedankings	i
Abstract	ii
Table of contents	iv
List of Annexes	x
List of Tables	xi
List of Figures	xiii

CHAPTER 1: INTRODUCTION

1.1	Background and problem statement	1
1.2	Objectives of this study	2
1.3	Methodology	3
1.4	Scope of the study	4
1.5	Framework of analysis and outline of the study	4

CHAPTER 2: THE SOUTH AFRICAN FLOWER INDUSTRY

2.1	Introduction	8
2.2	The major features of the industry	8
2.3	Fynbos	12
2.4	Development contributions of the SA flower industry	14
2.5	Distribution	16
2.6	Flower export market	21
2.7	A case study of flower growers in the Johannesburg/Pretoria area	25
2.7.1	Introduction	25
2.7.2	Production	25
2.7.3	Research and information services	26
2.7.4	Marketing	27
2.7.5	View's on the competitiveness of the industry	28
2.7.6	Strategic Analysis: problems, objectives and strategies	29
2.7.6.1	Problems as identified by cut flower growers	29

2.7.6.2	Objectives and strategies	35
2.7.7	Conclusion	37

CHAPTER 3: THE INTERNATIONAL FLOWER MARKET

3.1	Introduction	40
3.2	The world flower industry	40
3.2.1	World flower trade	41
3.2.2	World flower consumption	42
3.3	Major international competitors	43
3.3.1	Zimbabwe	44
3.3.2	Zambia	48
3.3.3	Malawi	50
3.3.4	Kenya	51
3.3.5	Uganda	56
3.4	Major international markets for cut flowers	60
3.4.1	Germany	60
3.4.2	France	63
3.4.3	United Kingdom	65
3.4.4	Netherlands	69
3.5	The Australian flower industry	76
3.5.1	Introduction	76
3.5.2	Production	76
3.5.2.1	Wildflowers	77
3.5.2.2	Traditional flowers	77
3.5.3	Domestic marketing	78
3.5.4	Exports	81
3.5.5	Imports	85
3.6	Conclusion	86

CHAPTER 4: METHODOLOGIES FOR COMPETITIVE ANALYSIS

4.1	Introduction	87
4.2	Literature survey	87
4.2.1	Comparative advantage	88
4.2.2	Competitive advantage	89
4.3	Determinants of competitive advantage	90
4.4	Revealed comparative Advantage	91
4.5	Policy analysis matrix (PAM)	93
4.5.1	Introduction	93
4.5.2	Construction of a Policy Analysis Matrix (PAM)	94
4.5.3	Ratio indicators for the comparison of unlike output	96
4.5.3.1	Competitive advantage	97
4.5.3.2	Comparative advantage	97
4.5.3.3	Policy transfers	98
4.6	Conclusion	98

CHAPTER 5: ANALYSING THE COMPETITIVENESS OF THE SOUTH AFRICAN AND AUSTRALIAN FLOWER INDUSTRIES

5.1	Introduction	101
5.2	Background	101
5.3	Determinants of competitiveness	102
5.3.1	Factor conditions	103
5.3.1.1	Human resources	103
5.3.1.2	Physical resources	105
5.3.2	Home demand conditions	111
5.3.3	Related and supporting industries	113
5.3.4	Strategy, structure and rivalry	113
5.3.5	Government	116
5.3.6	Interpreting the results	120
5.4	Revealed comparative Advantage	124
5.4.1	South Africa	124
5.4.2	Australia	126

5.4.3	Summary	128
5.5	Policy Analysis Matrix	128
5.5.1	Construction of Policy Analysis Matrices	128
5.5.1.1	South Africa	128
5.5.1.2	Australia	130
5.5.2	Comparison of results	131
5.5.2.1	Competitive advantage	132
5.5.2.2	Comparative advantage	133
5.5.3	Summary	133
5.6	Conclusion	134

CHAPTER 6: CONCLUSION

6.1	Introduction	136
6.2	Research objectives	136
6.3	Reaching research objectives	137
6.3.1	Problems experienced by South African flower growers	137
6.3.2	The South African flower industry vs. the world flower industry	138
6.3.3	Australian flower industry vs. the world flower industry	139
6.3.4	The South African flower industry vs. the Australian flower industry	140
6.4	Implications	142
REFERENCES		176

LIST OF ANNEXES

ANNEX 1: TABLES	
Table 1	Table 1: Foreign exchange conversions 144
Table 2	Table 2: Fixed price multipliers for each agricultural sector 144
Table 3	Table 3: Development contribution ranking of different sectors in the Western Cape 145
Table 4	Table 4: Export data - South Africa 146
Table 5	Table 5: Export data – Australia 146
ANNEX 2: METHODOLOGIES FOR DETERMINING SOCIAL VALUES	147
ANNEX 3: CONSTRUCTING A BUDGET FOR A ONE-HECTARE ROSE PRODUCTION UNIT IN GAUTENG PROVINCE	152
ANNEX 4: BUDGETS FOR FLOWER PRODUCTION	
Table 1	Table 1: Carnation / New South Wales, Australia / 1993 165
Table 2	Table 2: Waxflower / Queensland, Australia / 1995 166
Table 3	Table 3: Rose / Gauteng Province / 1998 167
Table 4	Table 4: Protea / Western Cape Province / 1995 168
ANNEX 5: QUESTIONNAIRES	
Table 5.1	(A) Producer questionnaire 169
Table 5.2	(B) Supplier questionnaire 175
Table 5.3	Policy analysis table
Table 5.4	Cash flow comparison table
Table 5.5	Capital cost weight comparison table
Table 5.6	Input-output matrix of the
Table 5.7	Input-output matrix of the
Table 5.8	Results derived from analysis of
Table 5.9	Input-output matrix – South Africa
Table 5.8	Results derived from the

LIST OF TABLES

Table 2.1:	Per capita flower expenditure projections	10
Table 2.2:	Total fresh flower sales on Multiflora auctions	11
Table 2.3:	South African flower export trends on major markets (\$'000)	23
Table 3.1:	Flower exports to main world markets by source country (1996)	42
Table 3.2:	Total flower exports from Zimbabwe (\$1000)	45
Table 3.3:	Zambia / Zimbabwe 3ha rose farm – capital costs	47
Table 3.4:	Zambia/ Zimbabwe 3ha rose farm – annual costs (%)	47
Table 3.5:	Total flower exports from Zambia (\$'000)	49
Table 3.6:	Total flower exports from Malawi (\$'000)	51
Table 3.7:	Kenyan 3ha rose farm- capital costs	54
Table 3.8:	Total flower exports from Kenya (\$'000)	56
Table 3.9:	Rose farm - capital cost	58
Table 3.10:	Rose Farm annual operating cost (\$/m ²)	58
Table 3.11:	Total flower exports from Uganda (\$'000)	59
Table 3.12:	The Netherlands: Capital costs of 1-hectare rose farm	75
Table 3.13:	The Netherlands rose farm - annual costs (%)	76
Table 3.14:	Australian flower exports	81
Table 3.15:	Major export markets	82
Table 3.16:	Australian cut flower exports by type	84
Table 3.17:	Forecasted demand increase for Australian floricultural products	85
Table 3.18:	Flowers imported into Australia	86
Table 4.1:	Differences between private and social analysis	94
Table 4.2:	Policy Analysis Matrix	96
Table 5.1:	Cut flower exports to European markets	102
Table 5.2:	Guideline air freight rates from Africa to Europe (\$ / kg) 1995	109
Table 5.3:	USA import tariffs on flowers	118
Table 5.4:	Distortions on input items in Australia	119
Table 5.5:	Performance-award schedule	121
Table 5.6:	Results derived from analysing the determinants of competitiveness	122
Table 5.7:	RCA analysis – South Africa	124
Table 5.8:	Results derived from the RCA analysis – South Africa	124

Table 5.9:	RCA analysis - Australia	126
Table 5.10:	Results of the RCA analysis - Australia	127
Table 5.11:	Policy Analysis Matrix: Rose (long stemmed, large flowered), Johannesburg and Pretoria area	129
Table 5.12:	Policy Analysis Matrix: Proteas - South Africa	130
Table 5.13:	Policy Analysis Matrix: Carnations - Australia	130
Table 5.14:	Policy Analysis Matrix: Waxflowers - Australia	131
Table 5.15:	Policy Analysis Matrix: Protea-Australia	131
Table 5.16:	Ratio indicators	132

LIST OF FIGURES

Figure 1.1:	Analytical framework	5
Figure 2.1:	SA wildflower industry	13
Figure 2.2:	Flow chart of possible distribution channels	16
Figure 2.3:	Multiflora Johannesburg: Performance of the main flower types	18
Figure 2.4:	Multiflora Pretoria: Performance of the main flower types	18
Figure 2.5:	Price on Multiflora auctions	19
Figure 2.6:	Quantities sold on Multiflora Auctions	20
Figure 2.7:	Quantities sold on Multiflora auctions (Jhb & Pta) 1996	20
Figure 2.8:	Quantities sold per month on Multiflora auctions 1997 (Jhb & Pta)	21
Figure 2.9:	SA flower exports	24
Figure 2.10:	Production practices	26
Figure 2.11:	Flower types	26
Figure 2.12:	Competitiveness indicators according to producer perceptions	28
Figure 3.1:	Kenyan cut flower exports, 1992-1994	52
Figure 3.2:	Flowchart of the relative importance of different distribution channels in the Australian market.	79
Figure 3.3:	Australian flower exports to major markets	83
Figure 4.1:	The determinants of competitive advantage	91
Figure 5.1:	Structure of the South African flower industry	114
Figure 5.2:	Flower industry organisations in Australia	115