

OATS MARKET VALUE CHAIN PROFILE

2012

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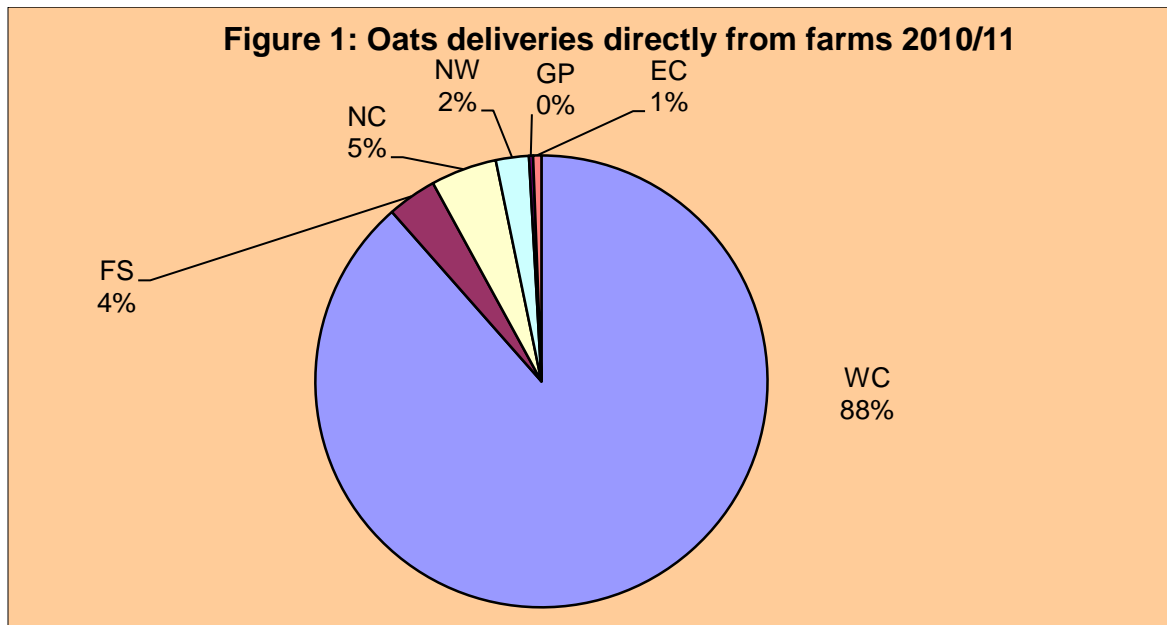
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1. DESCRIPTION OF THE INDUSTRY

Oats are primarily used for manufacturing of animal feeds and human consumables such as breakfast cereals and energy bars. Most of the oats produced in South Africa are processed locally while smaller volumes are also exported to other SADC countries such as Zambia, Zimbabwe and Mozambique. The local production for oats stood at an average of about 39 thousand tons per annum over the past ten years while the local consumption remained higher at 49 thousand tons per annum. About 24 000 tons of oats are imported every year as the local production is not enough to meet the local demand for the product.

1.1 Production Areas

Oat is a winter crop which is suited for planting in the winter rainfall area such as the Western Cape province. It can also be produced under irrigation in other provinces. Oats are produced mainly in the Western Cape, Free State and Northern Cape provinces. The contribution of various provinces to the total national supply is illustrated on Figure 1 below.

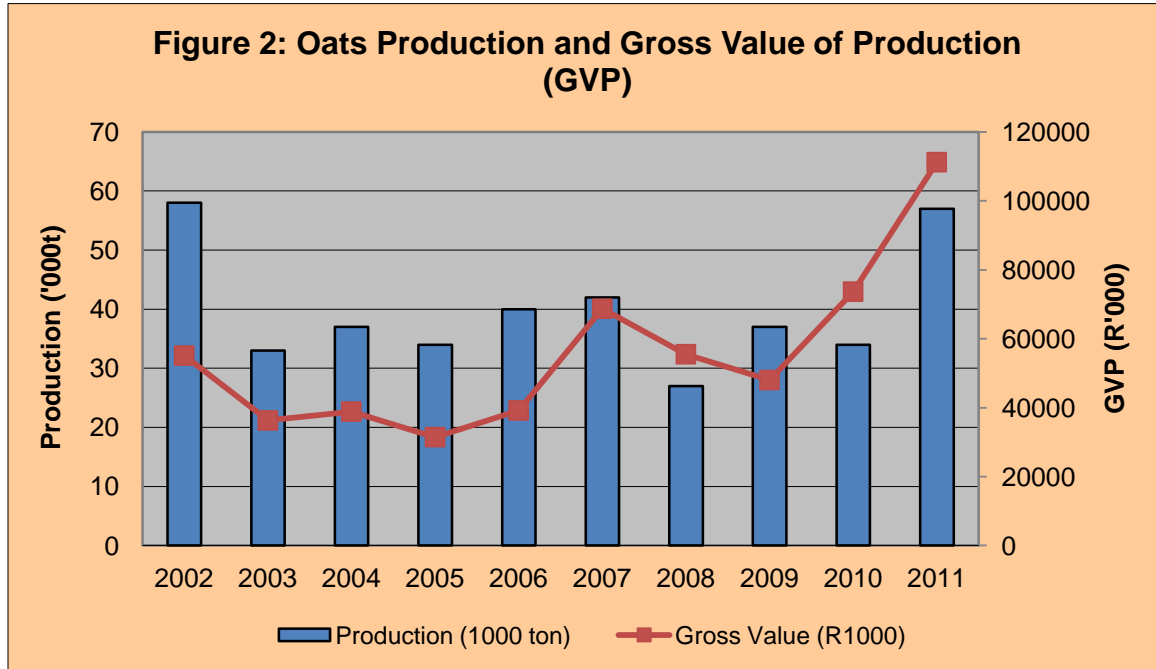


Source: SAGIS

Figure 1 above indicates that farmers in the Western Cape are the major contributors to the South African total oats supply. The figure indicates that the Western Cape province accounted for about 88% of South Africa's total oats supply in 2010/11 season followed by Northern Cape and Free State provinces with 5% and 4% respectively. The fact that Western Cape is a winter rainfall area makes the province a suitable location for production of Oats and other winter cereals such as wheat and barley. Oat supply from other provinces such as Eastern Cape and North West has been very low during 2010/11 production season.

1.2 Production Trends

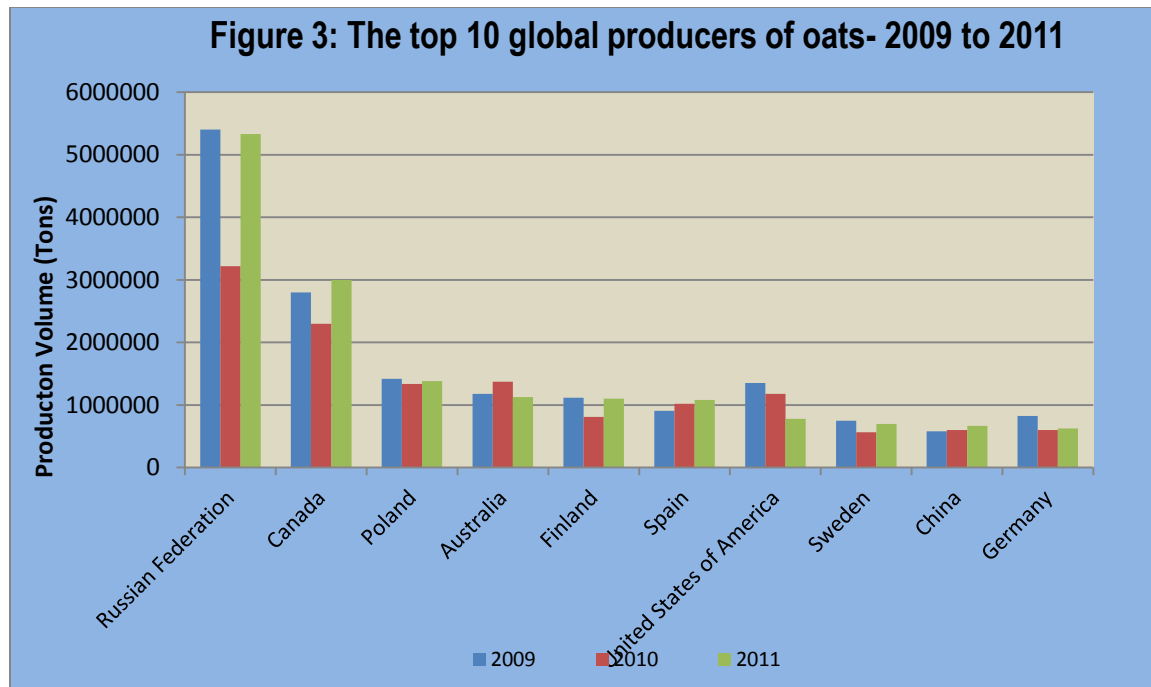
The production volume and gross value of production for oats during the past ten years are presented in Figure 3.



Source: Statistics and Economic Analysis, DAFF

In South Africa, an average of about 39 thousand tons of oats is produced annually and the volume fluctuates depending on plantings, weather conditions as well as prices of other competing crops. Figure 2 above indicates that the local production volumes were relatively higher during the year 2002 and this was followed by slight decrease in production volumes during the year 2003. It is also evident from the figure that the level production was relatively lower from the year 2003 until the 2010. Only 27 thousand tons of oats were produced during the year 2010 and this was followed by dramatic increase in production volumes during the year 2011. It is also notable from Figure 2 that the gross value of oats production has been following similar trend as production.

Globally, the largest producers of oats are Russia, Canada, Poland, Australia and Finland. Figure 3 below shows oats production by various countries in the world during the year 2011.



Source: FAOSTAT

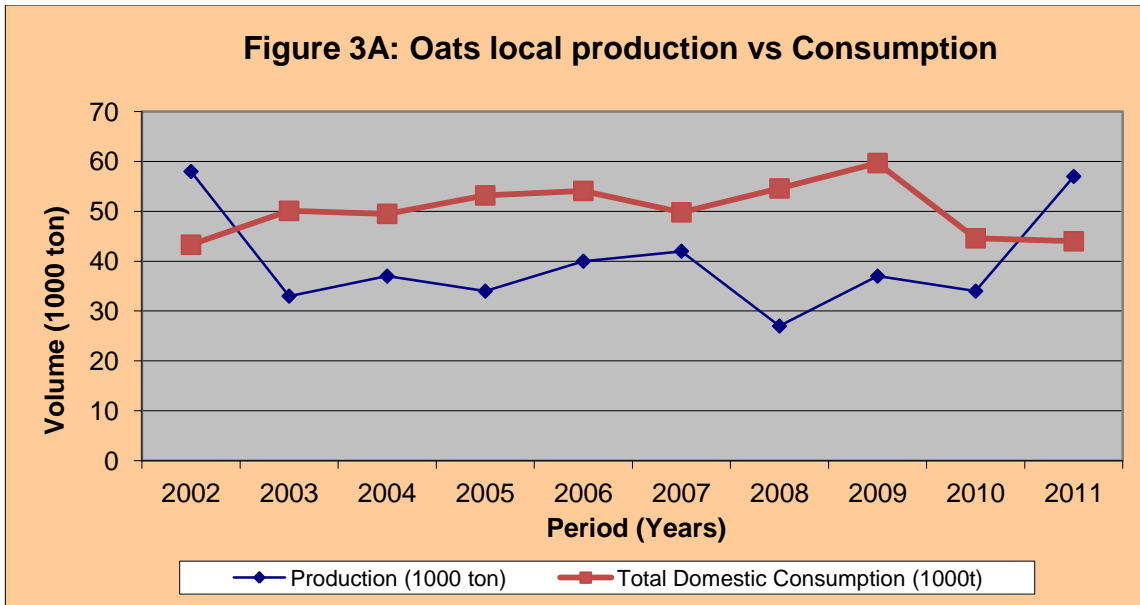
Figure 3 above shows that the Russian Federation was the largest producer of oats in 2011 and that Russian Federation accounted for about 24% of the world's total production during the same period. Countries such as Canada, Poland and Australia are among the largest producers in the world with contributions of 13%, 6% and 5% towards the world's total production, respectively. South Africa is one of the smaller producers of oats with a production volume of about 57 thousand tons in 2011.

2. MARKET STRUCTURE

2.1 Domestic Market

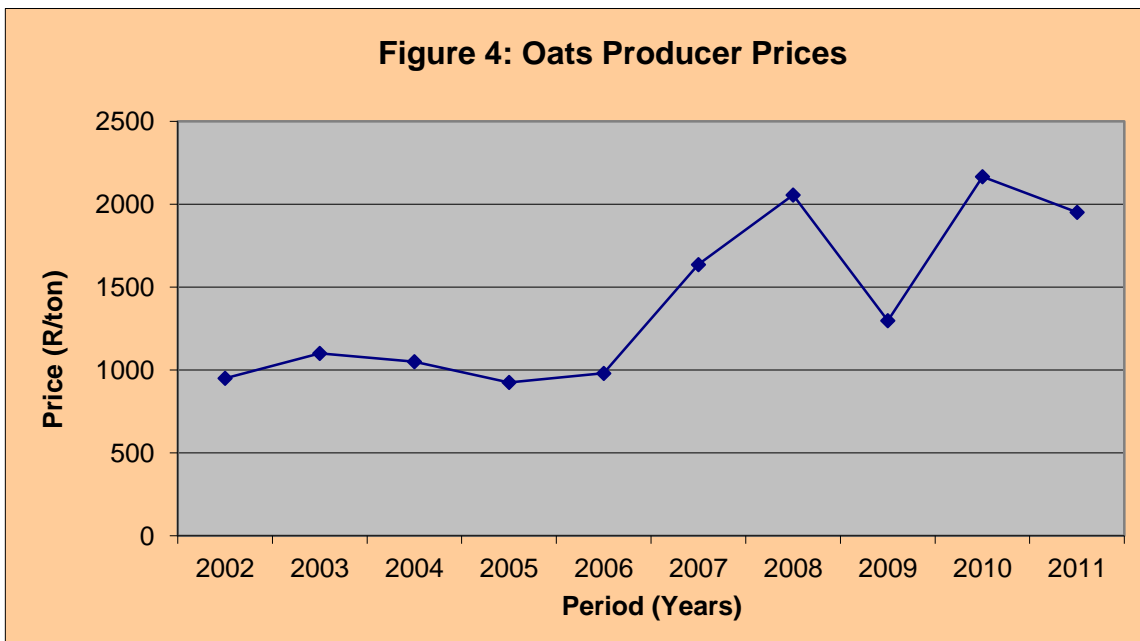
The local oats production amounts to approximately 39 thousand tons per annum, contributing about 47 million rands towards the gross value of agricultural production per annum. The local oats consumption is about 50 thousand tons per annum leaving a deficit of approximately 12 thousand tons of oats every year. About 82% of the total domestic oats supply is used for human consumption while animal feeds constitutes 10%. The remaining 8% is sold as seed for planting. The local consumption trends for oats are depicted in details on Figure 3A.

Figure 3A indicates that the period under analysis opened with moderate volumes of local oats consumption. The consumption volumes increased continually throughout the period under analysis with the exception of the years 2010 and 2011 when consumption declined slightly. The production volumes experienced a general decline between the years 2002 and 2010 and this widened the gap between the local production and consumption.



Source: Statistics and Economic Analysis (DAFF) and SAGIS

An average local production for the past ten years is about 39 thousand tons per annum against the annual consumption of 50 thousand tons. This leaves a deficit of approximately 12 thousand tons per annum, which has to be met through imports from other countries. The local producer price trends for oats are depicted in Figure 4 below.



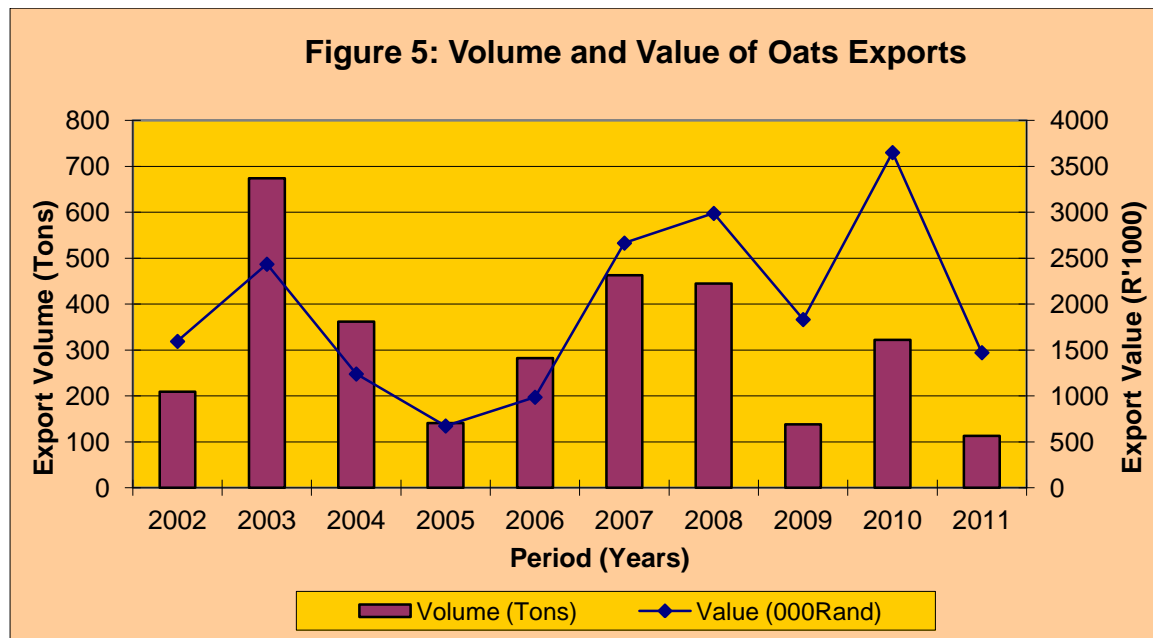
Source: Statistics and Economic Analysis, DAFF

Oat is an internationally traded commodity and the oats industry in South Africa, just like other agricultural commodities operate in a deregulated market environment. The local oats prices are determined by forces of demand and supply, and are influenced heavily by global prices as well as production in major producing countries such as Russian Federation, Australia and Canada. Figure

4 indicates that the local oats prices were very low during the year 2002 and increased slightly in 2003. As indicated in the figure, the highest price was experienced during the year 2010 (R2 166.06/t) while the lowest was experienced in 2005 (R925.09/t).

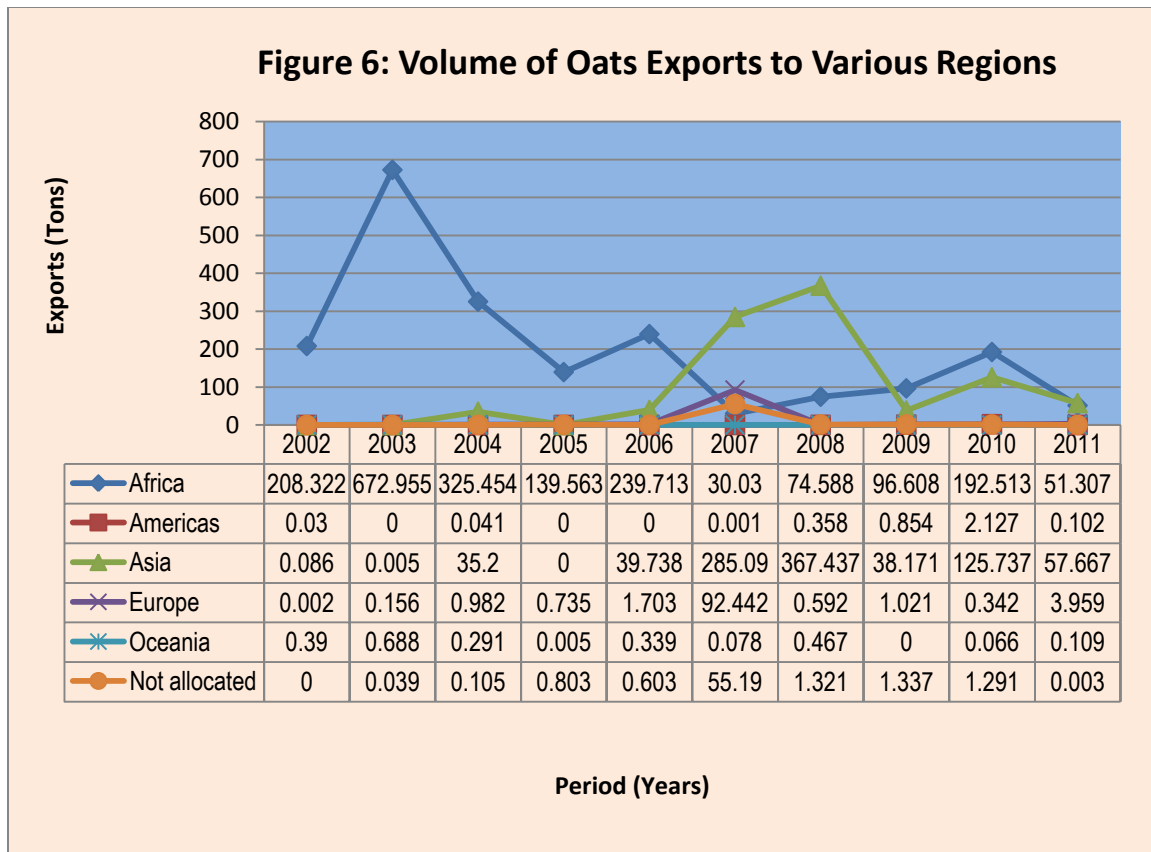
2.2 Exports

The volumes and value of oats exported by South Africa between the years 2002 and 2011 are shown depicted in Figure 5 below. On average, South Africa exports about 311 tons of oats per annum to the value of about 1.9 million rands annually.



Source: Quantec Easydata

Figure 5 indicates that the volume and value of oats exports fluctuated considerably over the period under analysis with a peak in volumes during the year 2003. The period under analysis opened with relatively lower volumes of exports during the year 2002. The figure indicates that the highest volumes of oats were exported during the year 2003, following larger volumes of production in the year 2002. South Africa exports its oats mainly to the African Continent, Asia and Europe. The period under analysis closed with the lowest volumes of exports in the year 2011. The volume of oats exports during the year 2011 declined by about 45% compared what was exported during the opening stage of the period under analysis (i.e. during the year 2002). The following figure (Figure 6) gives a picture regarding destinations of oats exported from South Africa.

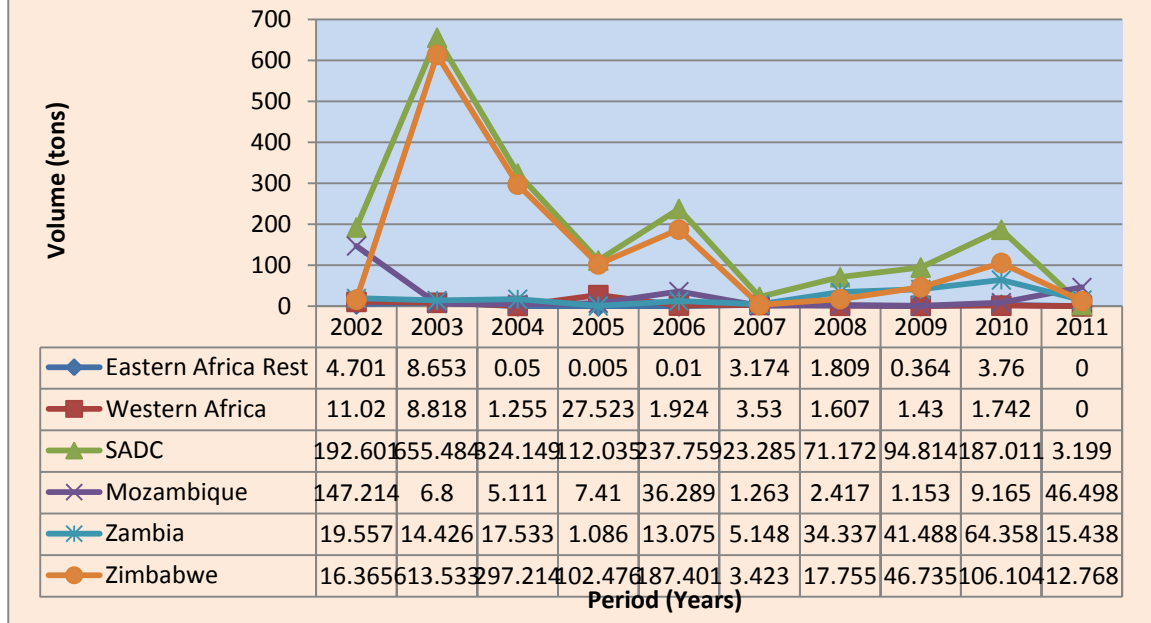


Source: Quantec Easydata

Figure 6 indicates that South Africa exports oats mainly to Africa, Asia and Europe. The figure also shows that the African continent absorbed the larger portion of oats originating from South Africa over the period under analysis, particularly between the years 2003 and 2006 and again in 2010. Exports to Asia increased swiftly from the year 2007 and surpassed those destined to the African continent. The figure also shows that exports to the Americas and Oceania were very low mainly because these regions are among the largest producers of oats globally. On average, about 64.50% of South Africa's oats exports are taken by other African countries while about 30% goes to Asia.

On the African continent South Africa export oats mainly to the SADC region and Western Africa. Figure 7 below shows that exports to SADC were very low during the year 2002, and started increasing from the year 2003 and peaked during the same year. The exports to SADC fluctuated in a declining mode from the year 2004 until 2009. On average, about 50% of South Africa's total oats exports to Africa are absorbed by countries in the SADC region. This includes countries such as Zimbabwe, Mozambique and Zambia. It is important to note that Zimbabwe alone has, over the past ten years, absorbed about 36% of South Africa's total oats exports to Africa. This makes Zimbabwe a major market for oats exports from South Africa.

Figure 7: Volume of Oats Exports to Africa

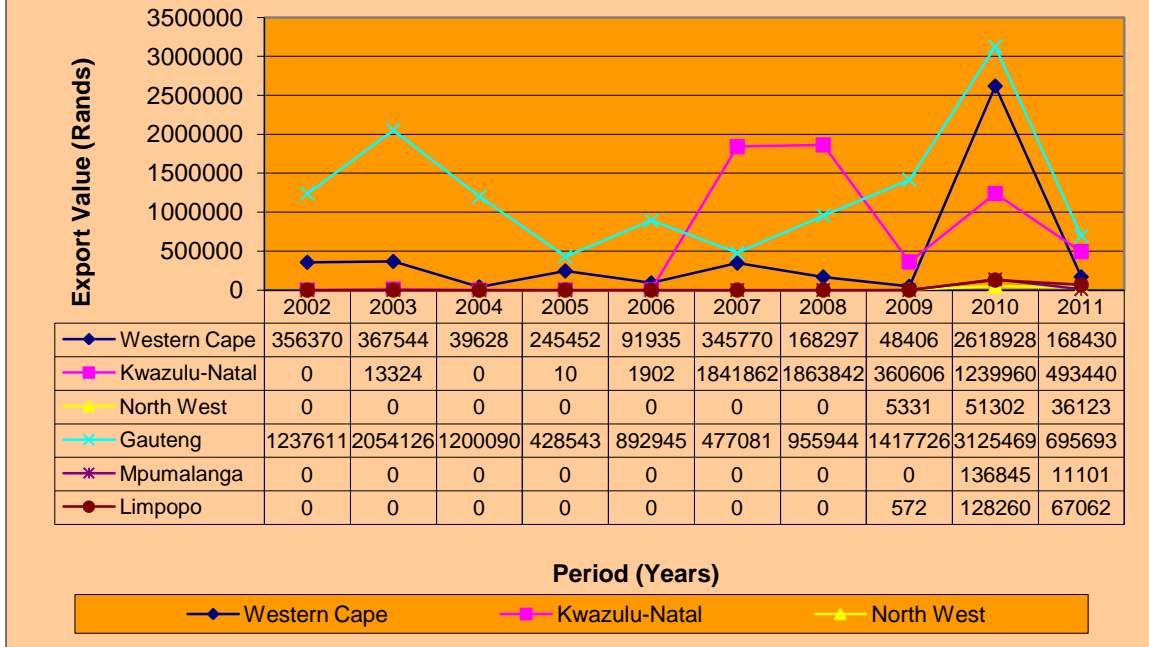


Source: Quantec Easydata

2.2.1 Provincial Oats Exports

Figure 8 indicates that oats exports originate mainly from Gauteng, Kwazulu-Natal and Western Cape provinces. Despite the Western Cape being the largest producer of oats, the largest volumes of oats exports are recorded as originating from Gauteng. Although Gauteng is not the largest producer of grains, the province plays a huge role in grain trading mainly due to the availability of grain trading facilities as well as traders in the province. During the past ten years, Gauteng province handled about 56% of South Africa's total oats exports followed by KwaZulu-Natal and Western Cape provinces with 26% and 20% respectively. The Randfontein grain market plays a huge role in grain trading, both locally and internationally. The availability of Cape Town harbour in the Western Cape and Durban Harbour in Kwazulu-Natal province places these provinces at an advantage in terms of grain exports. Limpopo and Mpumalanga provinces have recently emerged to be among the major exporting provinces for oats, especially during the year 2010.

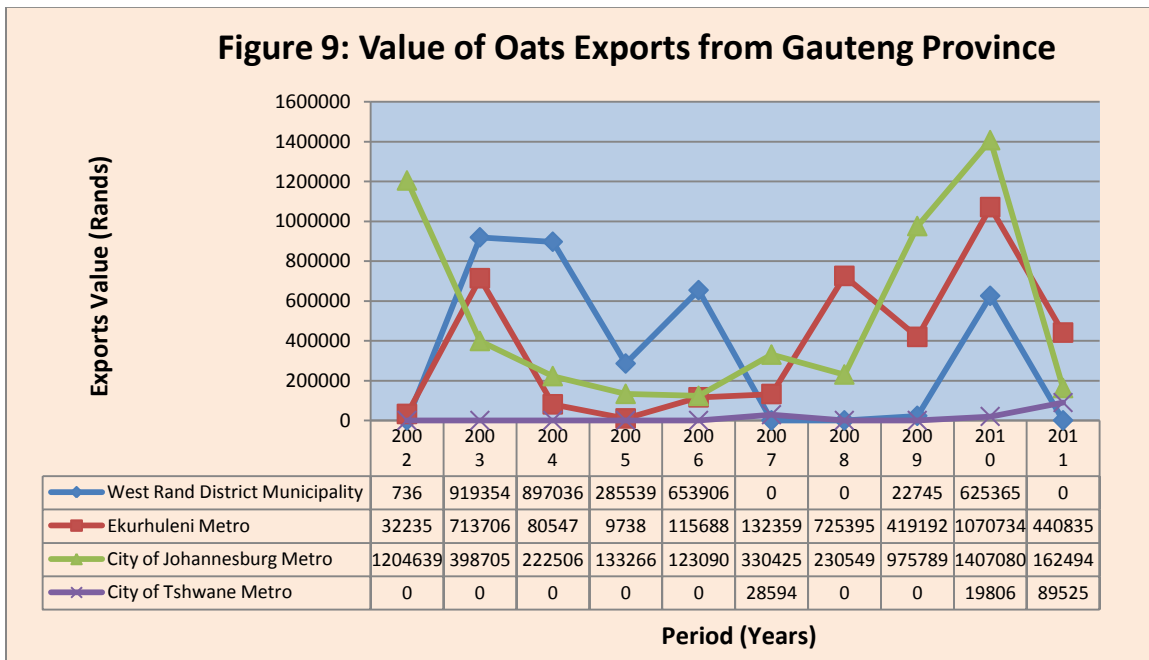
Figure 8: Value of Oats Exports by Provinces



Source: Quantec Easydata

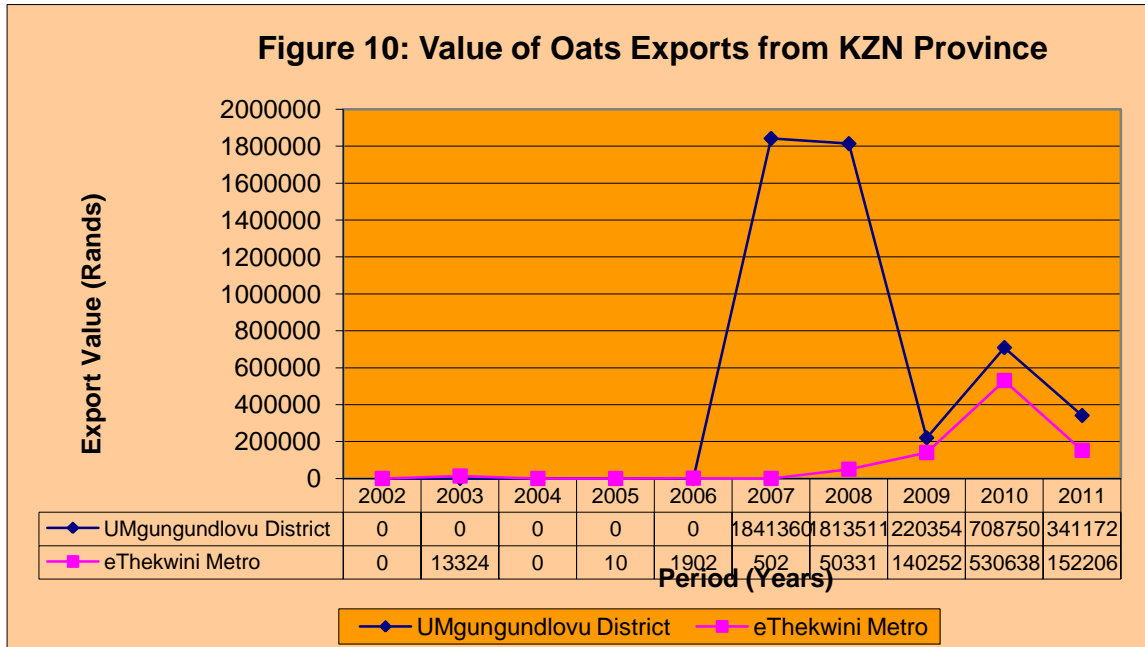
In Gauteng Province, oats exports originate mainly from West Rand District, City of Johannesburg and Ekurhuleni Metropolitan Municipality. Exports from West Rand, Ekurhuleni and city of Tshwane were very low during the year 2002 while those from City of Johannesburg were at higher levels as indicated by Figure 9.

Figure 9: Value of Oats Exports from Gauteng Province



Source: Quantec Easydata

The figure also indicates that oats exports from City of Tshwane were very low and erratic over the period under analysis with the highest volumes during the year 2011. Exports of oats from all regions in Gauteng were very low during the year 2011. The shares of various districts to total export value of oats exports from Kwazulu Natal are shown in Figure 10.



Source: Quantec Easydata

The period under analysis opened with very low values of exports from KZN province and the value of oats exports from the province remained very low from 2002 until 2006. Figure 10 indicates that oats exports in Kwazulu-Natal province originate mainly from eThekweni Metropolitan Municipality with some lower values being recorded for uMgungundlovu District. In Western Cape Province, City of Cape Town Metropolitan Municipality remained the major exporter of oats between the years 2002 and 2011.

2.2.2 Share Analysis

Table 1 presents the shares of various provinces to total export value of oats from South Africa during the last ten years.

Table 1: Contribution of various provinces to South Africa's total oats exports

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Western Cape	22.36	15.09	3.20	36.42	9.32	12.98	5.63	2.64	35.87	11.44
Kwazulu-Natal	0.00	0.55	0.00	0.00	0.19	69.12	62.38	19.68	16.98	33.53
North West	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.29	0.70	2.45
Gauteng	77.64	84.36	96.80	63.58	90.49	17.90	31.99	77.36	42.81	47.27
Mpumalanga	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.87	0.75
Limpopo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	1.76	4.56

Source: Calculated from Quantec Easydata

Table 1 above confirms the earlier observation that Gauteng is the largest exporter of oats in South Africa followed by KwaZulu-Natal and Western Cape provinces. Gauteng commanded the greatest share of South Africa's total oats exports between the years 2002 and 2006 and again in 2009, 2010 and 2011. On average, about 56% of South Africa's total oats exports originate from Gauteng province while 26% and 20% of the total were exported from Western Cape and KwaZulu-Natal provinces respectively.

Table 2: Contribution of various districts in Gauteng to the provincial total oats exports (%)

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
West Rand	0.06	45.25	74.75	66.63	73.25	0.00	0.00	1.60	20.02	0.00
Ekurhuleni Metro	2.60	35.13	6.71	2.27	12.96	26.94	75.88	29.57	34.29	63.63
City of JHB	97.34	19.62	18.54	31.10	13.79	67.24	24.12	68.83	45.06	23.45
City of Tshwane	0.00	0.00	0.00	0.00	0.00	5.82	0.00	0.00	0.63	12.92

Source: Calculated from Quantec Easydata

In Gauteng province, exports of oats originate mainly from City of Johannesburg Metropolitan Municipality, West Rand District Municipality and Ekurhuleni Metropolitan Municipality. City of Tshwane's contribution towards Gauteng's total exports has been very low and erratic during the period under analysis.

Table 3: Contribution of various districts in KwaZulu-Natal Province to the province's total oats exports (%)

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
UMgungundlovu	0.00	0.00	0.00	0.00	0.00	99.97	97.30	61.11	57.19	69.15
eThekweni Metro	0.00	100.0	0.00	100.0	100.0	0.03	2.70	38.89	42.81	30.85

Source: Calculated from Quantec Easydata

In KwaZulu-Natal, eThekweni and UMgungundlovu are the major exporters of oats while City of Cape Town Metropolitan Municipality is the biggest exporter for oats in the Western Cape province (see Table 4). However Cape Winelands district has raised its imports in recent years, having contributed more than 95% towards Western Cape's total oats exports in 2010 and 55% in 2011.

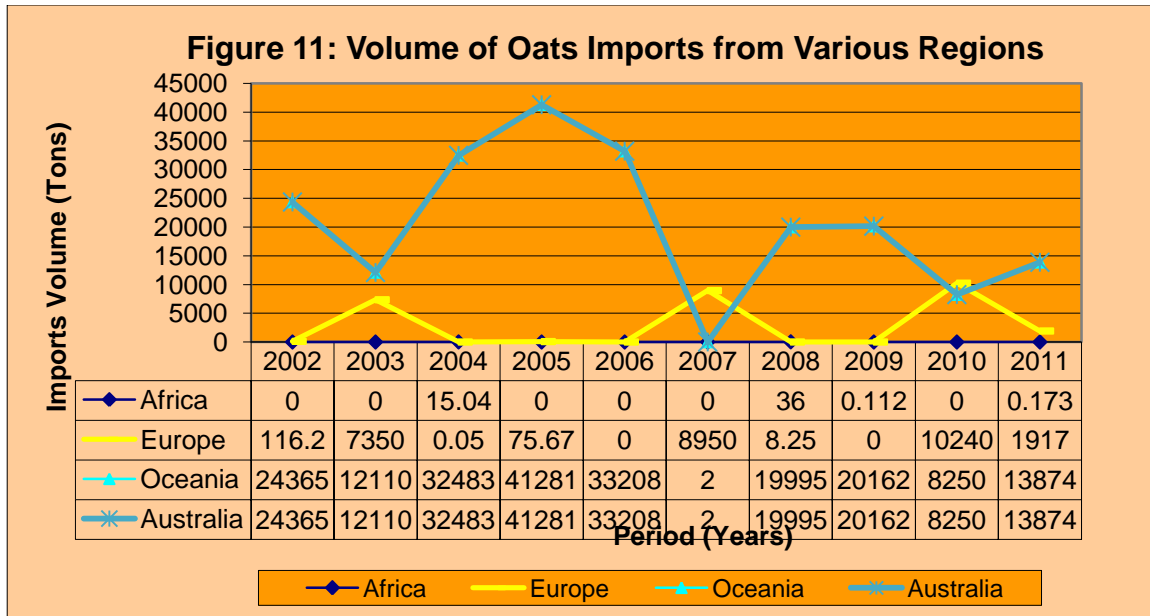
Table 4: Contribution of various districts in Western Cape Province to the provincial total oats exports (%)

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
City of Cape Town	100	100	100	100	100	100	100	100	5.94	44.04
Cape Winelands	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95.06	55.96

Source: Calculated from Quantec Easydata

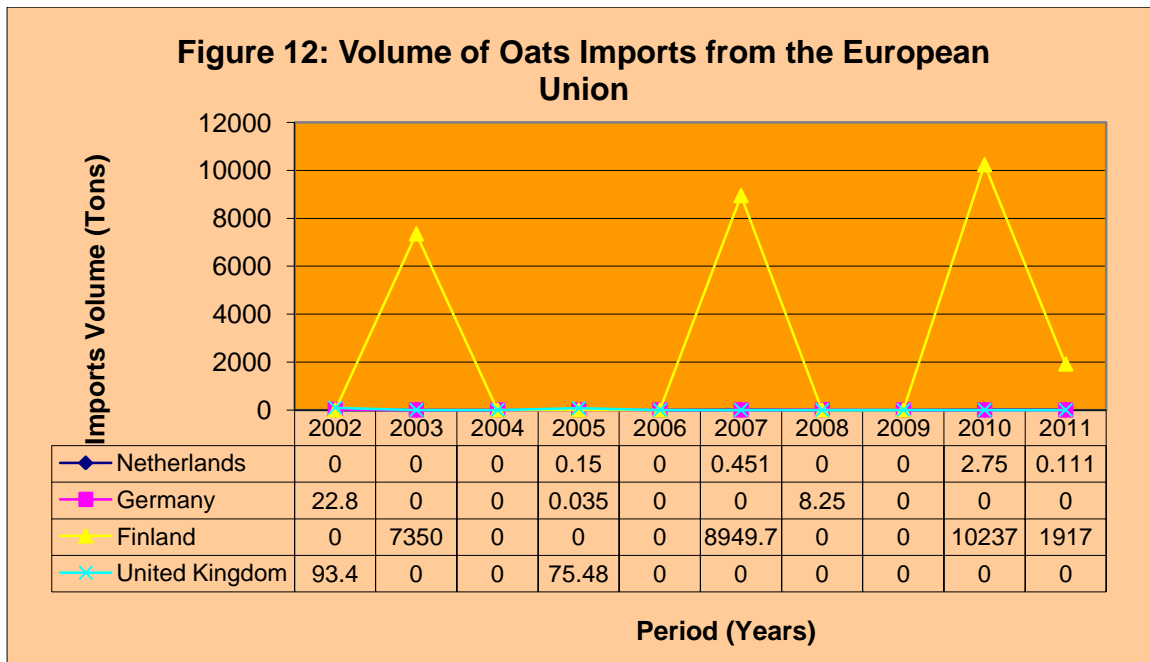
2.3 Imports

South Africa imports an average of about 24 thousand tons of oats per annum in order to supplement the local production which is too low to meet the local demand. Figure 11 below gives an indication of oats imports from various regions for the period 2002 to 2011.



Source: Quantec Easydata

Figure 11 indicates that the South African oats imports originate mainly from Oceania and Europe. Imports from Africa and the Americas were very low and erratic over the period under analysis. The highest volumes from Oceania were imported during the year 2005 while the lowest volumes from this region were imported in 2007. On average, South Africa imports about 24 thousand tons of oats per annum and about 78% of the abovementioned imports originate from Australia in Oceania. Volumes of oats imports from the European Union are shown in Figure 12.



Source: Quantec Easydata

In Europe, South Africa imports oats mainly from Finland which is also one of the largest producers of oats globally. Figure 12 above indicates that oats imports from Finland fluctuated considerably over the period under review with a peak during the year 2010. From Figure 12 it is clear that oats imports from Germany, UK and Netherland were very low throughout the period under analysis.

2.4 Uses of Oats and Market Value Chain

2.4.1 Uses

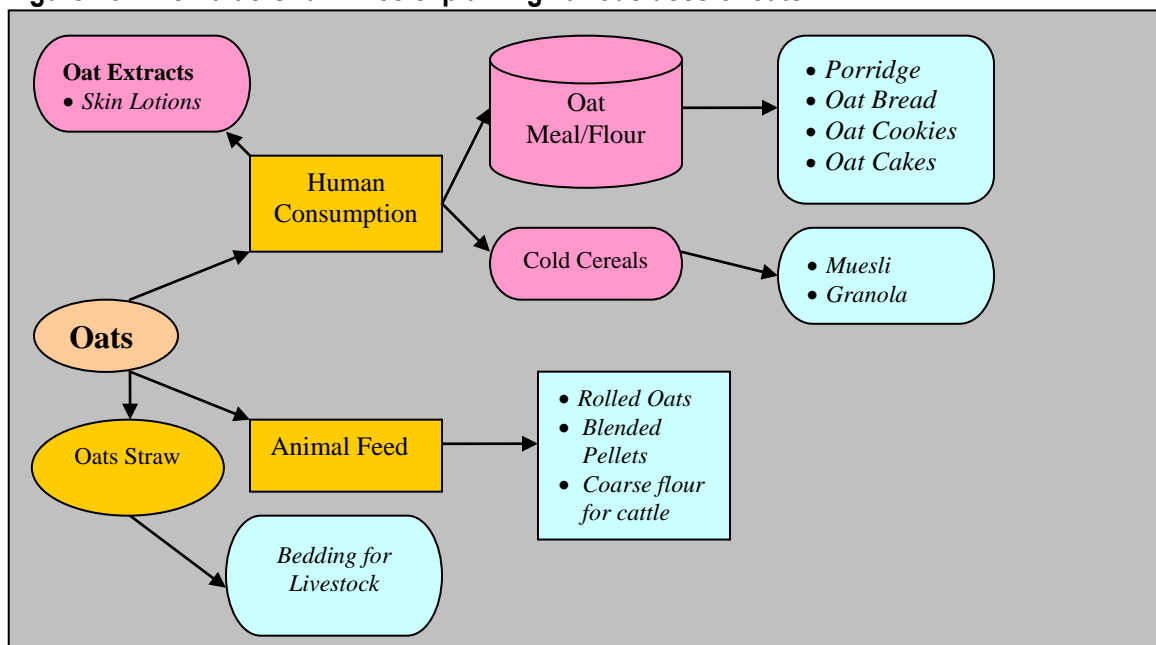
Human Consumption:

Oats have numerous uses in food; most commonly, they are rolled or crushed into oatmeal, or ground into fine oat flour. Oatmeal is chiefly eaten as porridge, but may also be used in a variety of baked goods, such as oatcakes, oatmeal cookies, and oat bread. Oats are also an ingredient in many cold cereals, in particular muesli and granola. Oats may also be consumed raw, and cookies with raw oats are becoming popular. Oats are also occasionally used in several different drinks. They can also be used for brewing beer. A cold, sweet drink made of ground oats and milk is popularly used as refreshment throughout Latin America.

Animal Feed:

Oats are also commonly used as feed for horses - as crimped or rolled oats or as part of a blended food pellet. The oat hull must be crushed (rolled or crimped) for the horse to digest the grain. Cattle are also fed oats, either whole, or ground into coarse flour using a roller mill, burr mill, or hammer mill. Oat straw is prized by cattle and horse producers as bedding, due to its soft, relatively dust-free, and absorbent nature. The value chain explaining the various uses of oats is depicted in Figure 13.

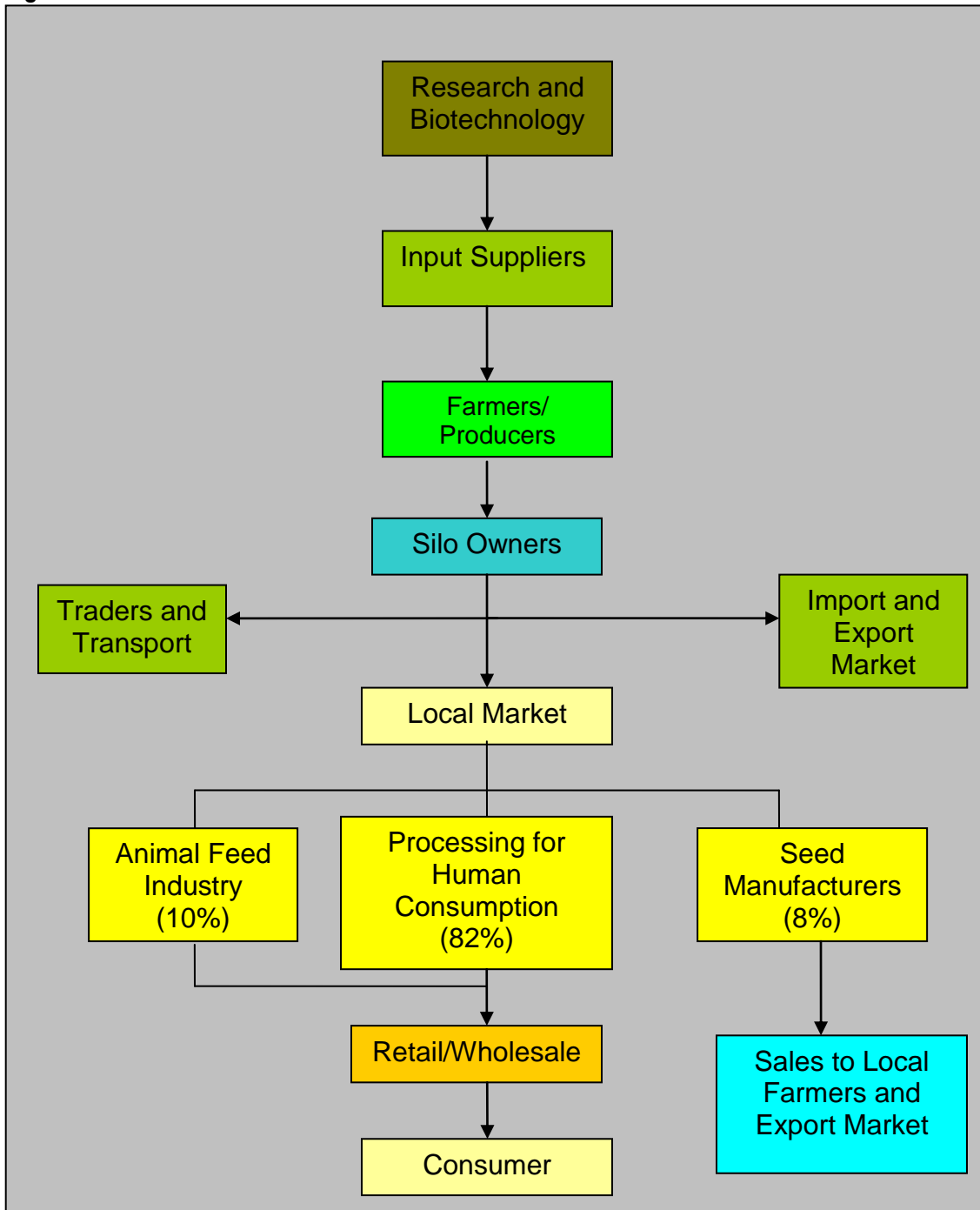
Figure 13: The Value Chain Tree explaining various uses of oats



2.4.2 *The Market Value Chain*

The oats market value chain can be broken down into the following levels: producers of oats (farmers); silo owners (who store oats for their own account and on behalf of others); oats traders (who market and sell oats); processors of oats (who convert it into usable form); and end users (see Figure 14 below).

Figure 14: Oats Market Value Chain



Source: Percentages calculated from SAGIS data

The primary sector consists of input suppliers, producers and silo owners. Silo owners provide storage facilities to handle the crops, to store oats safely and to supply it to buyers on a continuous basis throughout the year. The secondary sector consists of millers and animal feed manufacturers. Millers and crushers convert oats to oats meal for further processing into human consumables such as breakfast cereals while animal feed manufacturers use oats for the manufacture of horses and cattle feed.

It is very important to note that processing for human consumption is the most important component of the oats value chain absorbing about 82% of the local oats supply while 10% is used to manufacture animal feeds. Seed manufacturers use about 8% of the local oats supply to make seeds for planting.

3. MARKET INTELLIGENCE

3.1 Tariffs

South Africa applies no tariffs on imports of oats originating from other countries. However, South Africa faces various tariff levels when exporting oats to different countries in the world. Table 5 shows tariffs that are applied by the various export markets to oats originating from South Africa.

Table 5 indicates that South Africa is facing import duties when exporting oats to Zimbabwe. Although countries such as Zambia and Mozambique apply import duties on imports of oats from elsewhere, South Africa can export oats to these countries free of duty due to the preferential tariff structure that is maintained between these countries and South Africa. Zimbabwe levies a duty of 10% on imports of oats from South Africa while Japan, Malawi, Malaysia and USA do not apply any import duty on oats.

Table 5: Tariffs applied by leading markets to oats originating from South Africa

Importer	PRODUCT	Trade Regime Description	APPLIED TARIFFS 2012	TOTAL ADVALOREM EQUIVALENT TARIFF 2012
Japan	Oats: 100400	MFN duties (Applied)	0.00%	0.00%
Malawi	Oats: 10040000	MFN duties (Applied)	0.00%	0.00%
Malaysia	Oats: 10040000	MFN duties (Applied)	0.00%	0.00%
Mozambique	Oats: 10040000	MFN duties (Applied)	2.50%	2.50%
		Preferential tariff for South Africa	0.00%	0.00%
USA	Oats: 10040000	General tariff	0.00%	0.00%
Zambia	Oats: 10040000	MFN duties (Applied)	15.00%	15.00%
		Preferential tariff for South Africa	0.00%	0.00%
Zimbabwe	Oats: 10040000	MFN duties (Applied)	10.00%	10.00%

Source: ITC Market Access Map

3.2 Performance of the South African Oats Industry

Table 6 below shows the list of importing countries for oats exported by South Africa during the year 2011 as well as volume and value of oats exported by South Africa to such countries.

Table 6: List of importing markets for the oats exported by South Africa in 2011

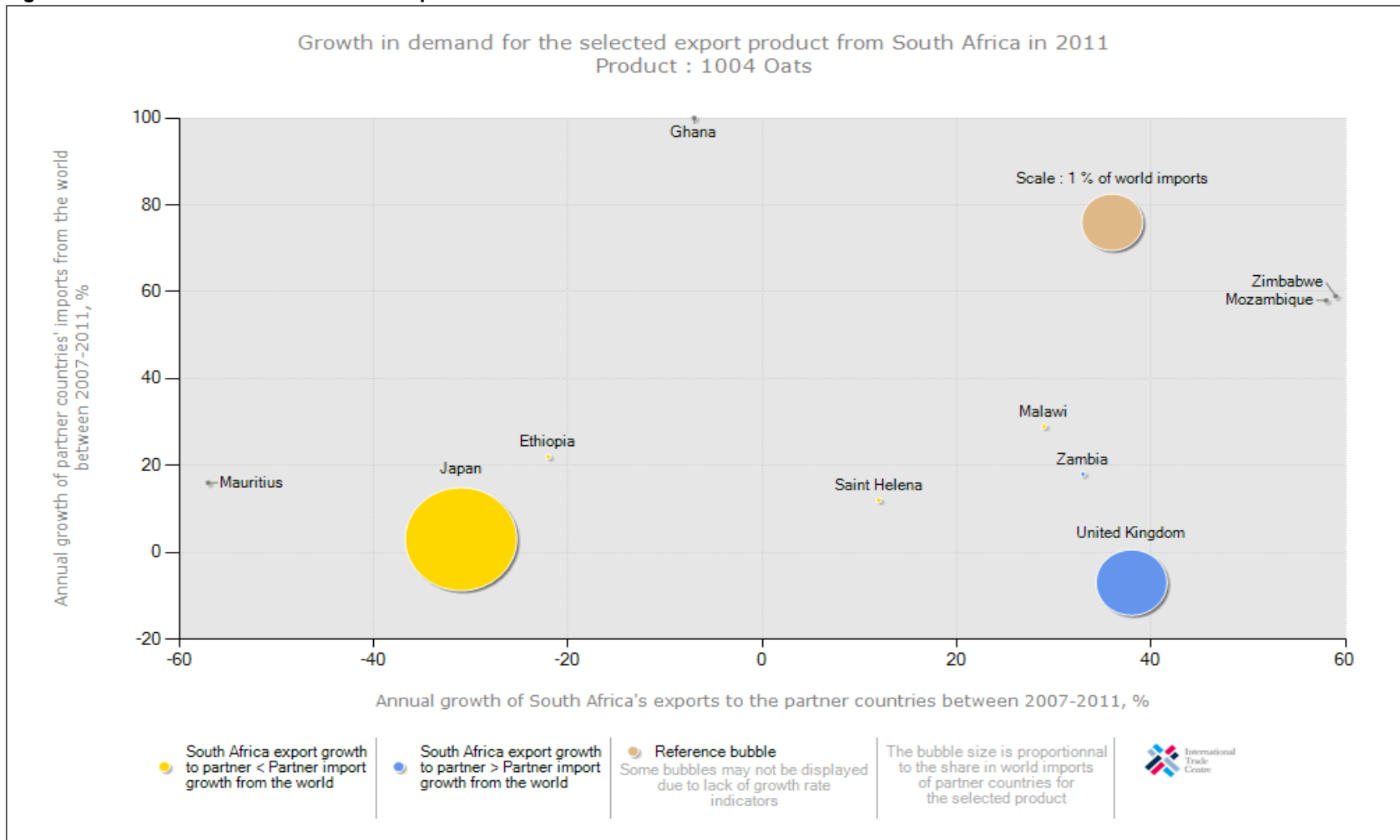
Importers	Trade Indicators						
	Exported value 2011 (USD thousand)	Share in South Africa's exports (%)	Exported quantity 2011 (Ton)	Unit value (USD/Ton)	Exported growth in value between 2007-2011 (% p.a.)	Exported growth in quantity between 2007-2011 (% p.a.)	Exported growth in value between 2010-2011 (% p.a.)
World	203	100	113	1 796	-8	-26	-59
Japan	47	23.2	54	870	-31	-38	-4
Zambia	36	17.7	15	2 400	33	33	-69
Zimbabwe	31	15.3	13	2 385	59	60	-85
Malawi	20	9.9	6	3 333	29	16	150
Mozambique	20	9.9	9	2 222	58	80	0
United Kingdom	10	4.9	4	2 500	38	41	-
Saint Helena	8	3.9	3	2 667	12	0	100
Malaysia	7	3.4	2	3 500	-	58	-70
Bahrain	4	2	1	4 000	-	-	-

Source: ITC Trade Map

South Africa exports oats mainly to countries such as Japan, Zambia, Zimbabwe, and Malawi. Table 6 indicates that, during the year 2011, South Africa exported a total of 113 tons of oats out of which about 54 tons went to Japan. During the same year, Japan alone absorbed about 23% of South Africa's total oats exports in value terms while Zambia was a destination for about 17.7% of South Africa's total oats exports. Zimbabwe imported about 13 tons of oats from South Africa during the year 2011, which represents about 15.3% of South Africa's total value of oats exports. South Africa also exports lower volumes of oats to countries such as Malawi, Mozambique and United Kingdom.

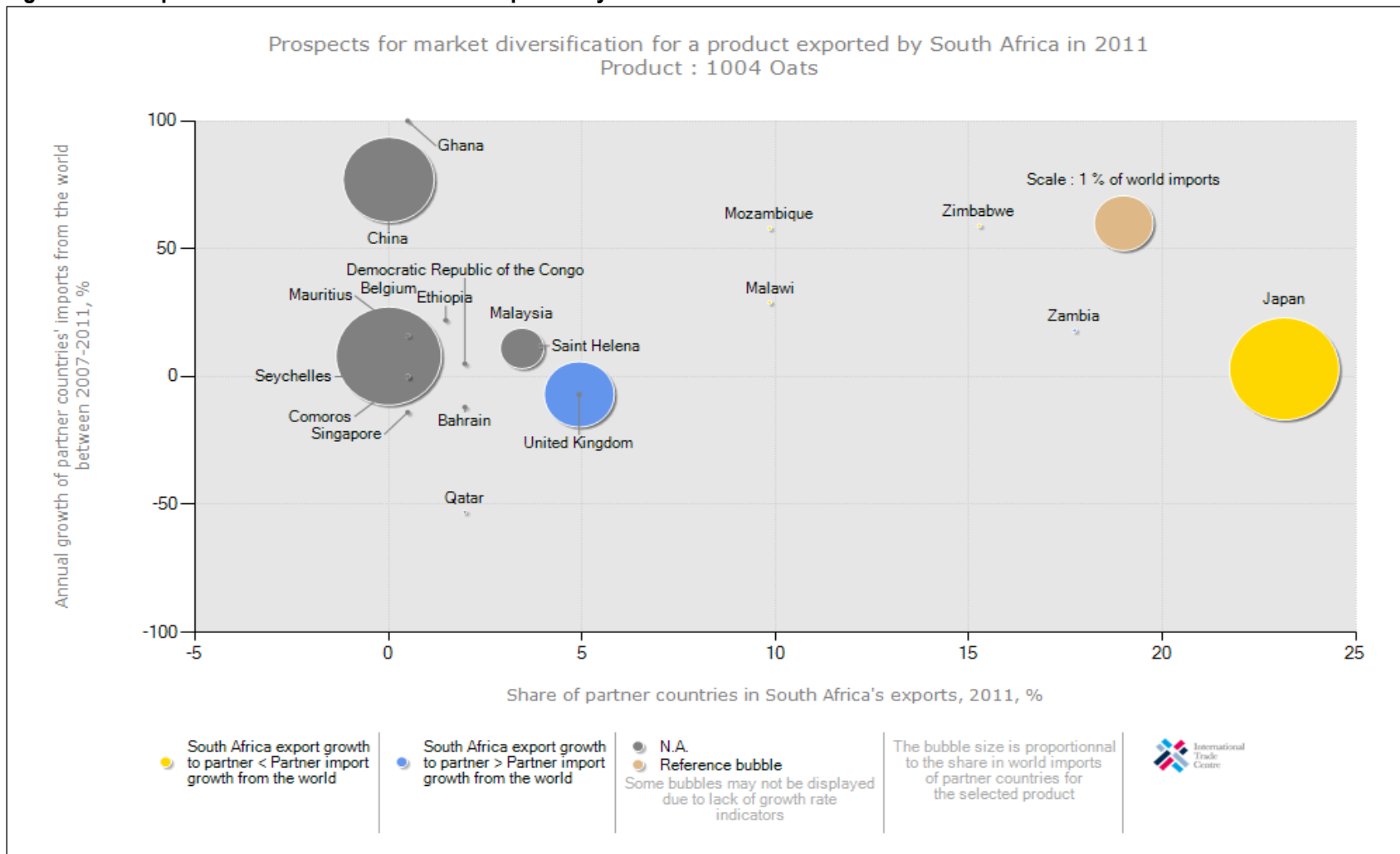
Figure 15 below and Table 6 indicate that South African oats exports to Japan, which was the largest importer of oats from South Africa in 2011, increased by 23.2% and 54% in value and volume respectively between the years 2007 and 2011. South Africa's oats exports to Zambia have increased by more than 17.7% in value and 15% in volume over the same period indicating that Zambia is growing as an importer of oats from South Africa. It is also clear from Figure 15 that South Africa's oats exports to Zambia have increased faster than a growth in Zambia's total oats imports from the world while the opposite is true with regard to growth in oats exports to Japan and Malawi.

Figure 15: Growth in Demand for Oats Exports from South Africa in 2011



Source: ITC Trade Map

Figure 16: Prospects for diversification of oats exported by South Africa in 2011



Source: ITC Trade Map

Figure 16 above indicates that Japan and Zambia command the greatest share of South Africa's total oats exports to the rest of the world followed by Zimbabwe and Malawi. In 2011, Japan alone absorbed about 23.2% of South Africa's total oats exports (in value terms) while Zambia was destination for about 17.7% of South Africa's total oats exports. If South Africa wishes to diversify its oats exports, the lucrative prospective markets exist in Belgium, China and Ghana. These countries have increased their oats imports from the world over the past few years, but South Africa has not fully exploited the opportunities that exist in these Markets.

Table 7: List of supplying markets for the oats imported by South Africa in 2011

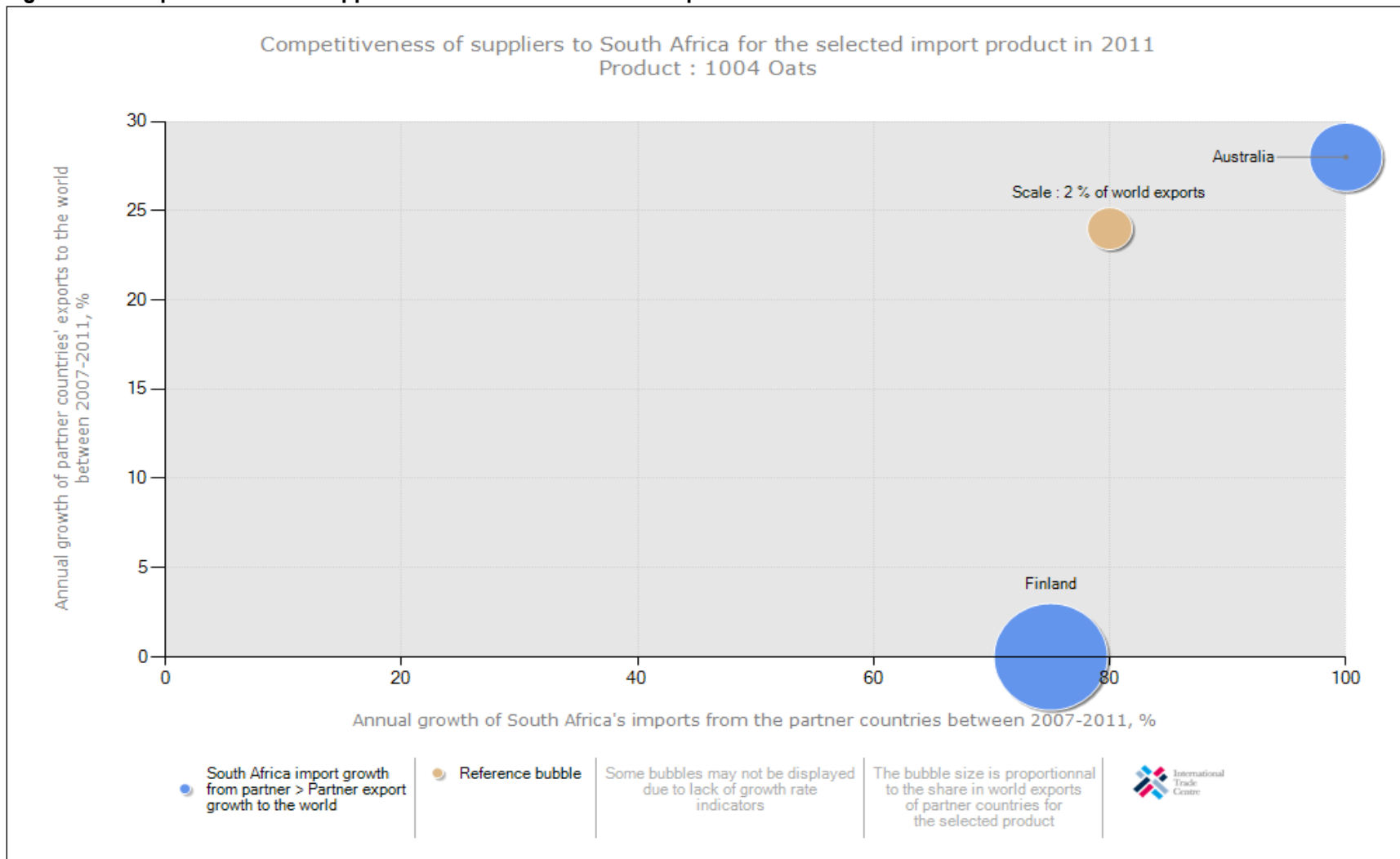
Exporters	Trade Indicators						
	Imported value 2011 (USD thousand)	Share in South Africa's imports (%)	Imported quantity 2011 (Ton)	Unit value (USD/Ton)	Imported growth in value between 2007-2011 (% p.a.)	Imported growth in quantity between 2007-2011 (% p.a.)	Imported growth in value between 2010-2011 (% p.a.)
World	5 602	100	15 972	355	19	11	29
Australia	4 832	86.3	13 874	348	336	437	137
Finland	769	13.7	1 917	401	75	-32	-66
Chinese Taipei	1	0	1	1000	-	-	-

Source: ITC Trade Map

Table 7 and Figure 17 indicate that Australia and Finland were the major exporter of oats to South Africa during the year 2011. Both the table and the figure indicate that South Africa imported just above 15 thousand tons in 2011 and about 86% of this originates from Australia while approximately 13.7% of the total was procured from Finland. South African oats imports volumes from the world increased by about 11% in volume between the years 2007 and 2011 while those from the Australia increased by 437% over the same period.

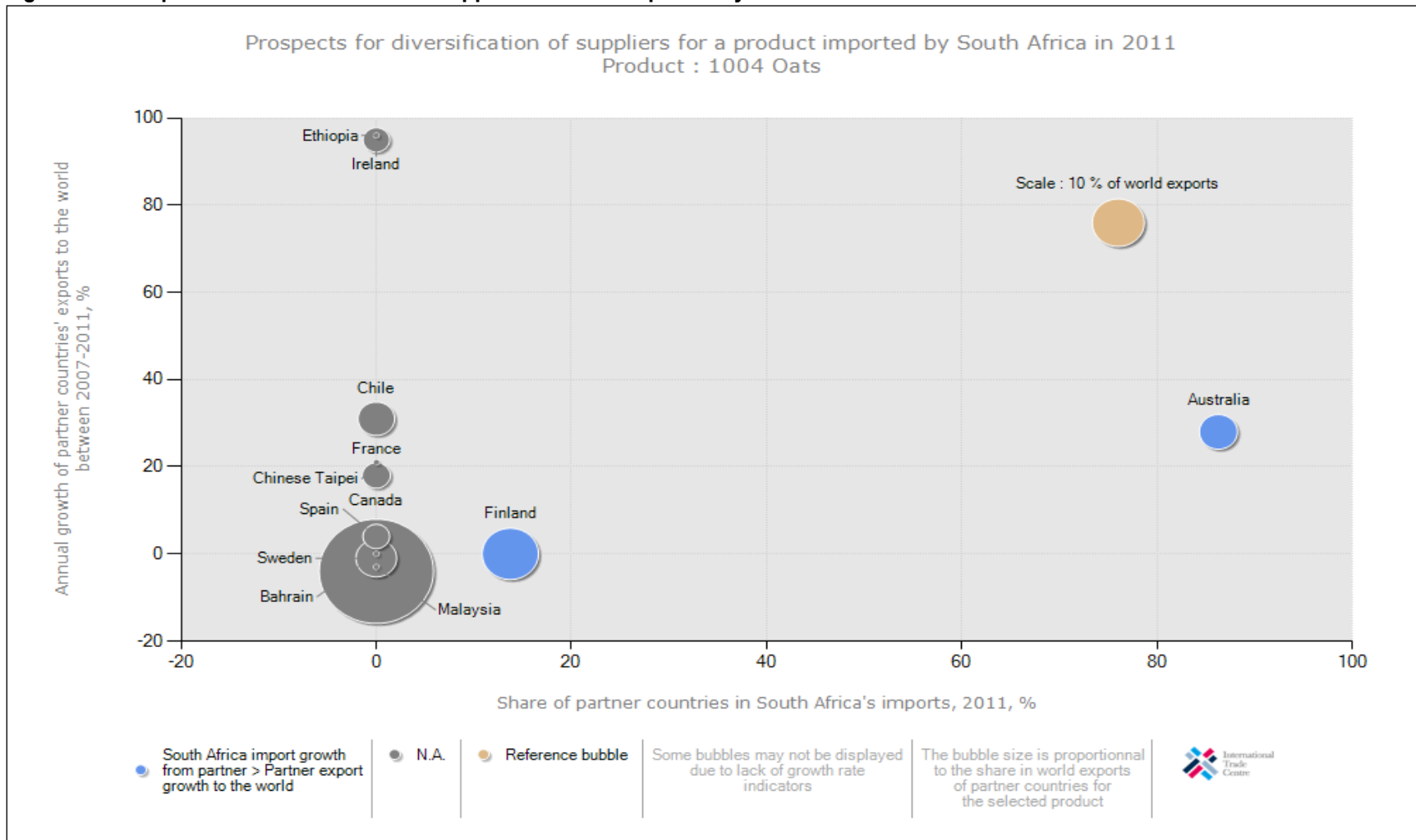
Figure 18 confirms the earlier observation that Finland and Australia are the major suppliers for oats imported by South Africa. During the year 2011, Australia accounted for about 86.3% of South Africa's total oats imports followed by Finland with 13.7%. The figure also shows that South Africa also imports smaller volumes of oats from Chinese Taipei. If South Africa wishes to diversify its oats imports base, the prospective suppliers exist in Ireland, Canada, Sweden, Chile, Spain and France. These countries are the largest producers and exporters of oats in the world and their oats exports to the world have increased significantly between the years 2007 and 2011.

Figure 17: Competitiveness of suppliers to South Africa for oats imports in 2011



Source: ITC Trade Map

Figure 18: Prospects for diversification of suppliers for oats imported by South Africa in 2011



Source: ITC Trade Map

5. SUMMARY OF OATS STOCKS

The supply and demand situation for oats over the past ten years is given in Table 8.

Table 8: Oats supply and demand situation ('000 t)

Marketing Season (01 Oct – 30 Sep)	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	Mean
	1 000 ton										
Opening stock (1 Oct)	15.0	15.8	14.6	12.1	16.8	11.7	11.2	18.9	23.3	22.9	16
Prod deliveries	15.9	23.4	16.4	11.6	31.1	41.0	39.1	25.9	37.4	34.0	28
Imports	24.2	19.4	31.2	42.6	17.5	13.3	17.9	32.7	21.0	15.1	24
Surplus	0.0	0.0	0.1	0.2	0.1	0.0	0.8	0.5	0.7	0.3	0.3
Available	55.1	58.6	62.3	66.5	65.5	66.0	69.0	78.0	82.4	72.3	68
Processed	31.8	34.7	40.1	41.3	40.5	43.2	39.8	43.4	44.4	44.6	40
-human	27.0	30.9	36.1	37.1	35.9	35.8	33.3	38.4	39.6	41.5	36
-animal	4.8	3.8	4.0	4.2	4.6	7.4	6.5	5.0	4.8	3.1	4
-bio-fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Withdrawn by producers	0.3	0.8	0.6	0.4	0.9	1.7	1.7	2.6	5.4	3.8	2
Released to end-consumers	3.7	6.2	6.6	5.1	6.1	6.2	4.0	3.1	5.2	6.3	5
Seed for planting purposes	3.3	1.6	2.8	2.7	5.7	3.0	4.3	5.5	4.7	4.0	4
Net receipts(-)/disp(+)	0.1	0.5	0.1	0.2	0.5	0.4	0.0	0.1	-0.3	-0.3	0.1
Deficit	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Exports	0.0	0.2	0.0	0.0	0.1	0.1	0.3	0.0	0.1	0.2	0.1
Utilised:	39.3	44.0	50.2	49.7	53.8	54.8	50.1	54.7	59.5	58.6	52
Closing Stock (30 Sep)	15.8	14.6	12.1	16.8	11.7	11.2	18.9	23.3	22.9	13.7	16

Source: SAGIS

According to Table 8 above, the local oats producers are currently capable of supplying an average of about 28 thousand tons of oats to the market per annum. This is not sufficient to meet the local demand as the domestic processing is estimated at an average of 40 thousand tons per annum. The existing deficit is matched through imports originating mainly from Australia and Finland. On average, South Africa imports about 24 thousand tons of oats annually making the total average volumes available for the year about 68 thousand tons. The closing stock for 2010/11 marketing season was 13.7 thousand tons and this is relatively lower compared to a ten year average of 16 thousand tons. It is also clear from Table 8 that about 90% of the total oats processed locally is used for human consumption while only 5% goes to animal feed.

6. ACNOWLEDGEMENTS

The following organizations are acknowledged:

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ITC Market Access Map

Website: <http://www.macmap.org/South Africa>

ITC Trade Map

Website: <http://www.trademap.org>

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