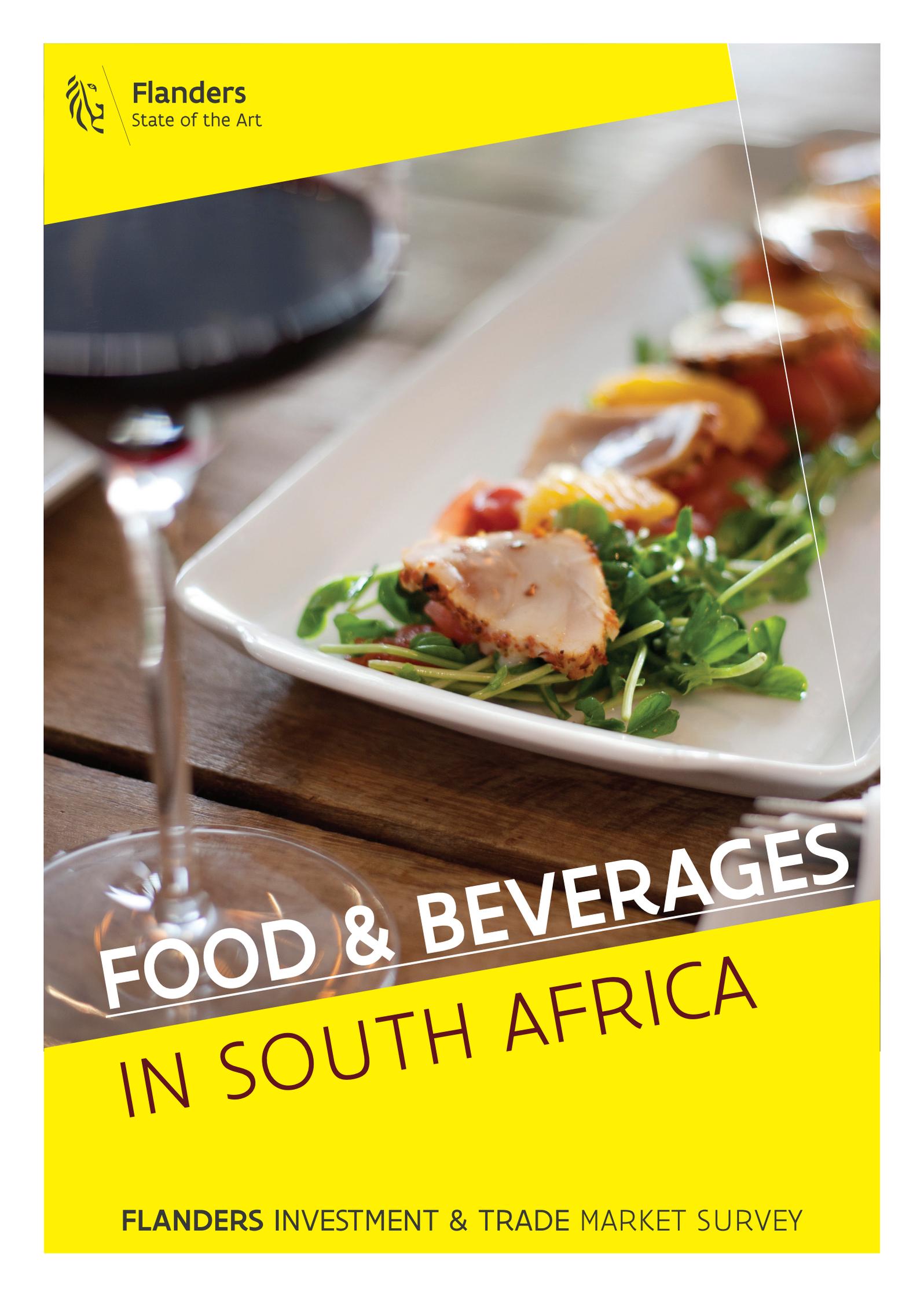




Flanders
State of the Art

A close-up photograph of a white plate with a scallop, arugula, and citrus segments, next to a glass of red wine on a wooden table.

FOOD & BEVERAGES IN SOUTH AFRICA

FLANDERS INVESTMENT & TRADE MARKET SURVEY

South African Retail Fact Sheet: FOOD & BEVERAGES

MAY 2015



Marc Schiltz
Flemish Economic Representative

Flanders Investment & Trade Johannesburg
Embassy of Belgium
13, Fredman Drive, Fredman Towers 8th Floor
Sandton 2196, Gauteng - Republic of South Africa
T: +27 11 783 47 32 | E: johannesburg@fitagency.com

CONTENTS

| | |
|---|----|
| INTRODUCTION..... | 3 |
| 1. THE SOUTH AFRICAN MARKET..... | 4 |
| 1.1 QUICK FACTS & FIGURES..... | 4 |
| 2. SOUTH AFRICA - FOOD & BEVERAGES - INDUSTRY & TRENDS..... | 7 |
| 2.1 General..... | 7 |
| 2.2 Organic & Natural Foods..... | 9 |
| 2.3 Processed Foods..... | 10 |
| 2.3.1 Bakery Products (including biscuits & breakfast cereals)..... | 10 |
| 2.3.2 Dairy: Cheese, Yoghurt & Ice Cream..... | 11 |
| 2.3.3 Chocolate..... | 12 |
| 2.3.4 Frozen meals..... | 12 |
| 2.3.5 Beverages..... | 13 |
| 3. CONSUMPTION & DEMAND..... | 16 |
| 4. DISTRIBUTION CHANNELS..... | 18 |
| 5. MAJOR FOOD & BEVERAGE RETAILERS..... | 20 |
| 5.1 Route to Market..... | 20 |
| 5.2 Importers & Distributors..... | 21 |
| 5.3 Retailers..... | 22 |
| 6. TRADE REGULATION, STANDARDS & REQUIREMENTS..... | 25 |
| 6.1 Tariffs..... | 25 |
| 6.2 Import Requirements & Documentation..... | 26 |
| 6.3 Standards & Regulations..... | 26 |
| 6.3.1 Packaging & Labeling..... | 28 |
| 6.4 Regulations regarding the F&B industry..... | 28 |
| 7. LOGISTICS & PAYMENT METHODS..... | 29 |
| 7.1 Logistics..... | 29 |
| 7.2 Payment Methods..... | 30 |
| 8. DOING BUSINESS IN SOUTH AFRICA..... | 31 |
| 9. OPPORTUNITIES & CHALLENGES..... | 32 |
| 9.1 OPPORTUNITIES..... | 32 |
| 9.2 CHALLENGES..... | 33 |
| 10. ADDITIONAL INFO & CONTACT DETAILS..... | 34 |

INTRODUCTION

South Africa's economy is the most diversified one on the African continent, and – after Nigeria's – its largest one. South Africa also is a sophisticated and promising market, offering a combination of well-developed First World economic infrastructure with a vibrant emerging market economy.

It has abundant natural resources, a well-developed banking system, good infrastructure with major capital injections to upgrade this further, a reasonable tax structure, a business culture that is not too dissimilar from that of Flanders, with a time difference of maximally only one hour, a fairly stable political climate, a stock exchange ranked among the top 20 in the world and... it is the gateway to other – mainly Southern – African markets.

According to The Wealth Report 2015 (<http://www.knightfrank.com/wealthreport>), the number of ultra-high net worth individuals in Africa will increase by a staggering 59% by the year 2024. This is higher than previous estimates that put the growth over a 10-year period at 34%. In South Africa, Johannesburg stands out as the most important African city. The Wealth Report 2015 ranks it as the 28th most important city globally for ultra-high net worth individuals whilst Cape Town is ranked 36th.

This Trade Fact Sheet focuses on the market for **Food & Beverages (F&B)** in South Africa, and is designed to provide relevant and comprehensive data on the South African retail-side for F&B-products for potential exporters from Flanders to make an informed decision on whether or not to enter the domestic market for these products in South Africa or, alternatively, whether to enhance their existing product offerings in this segment.



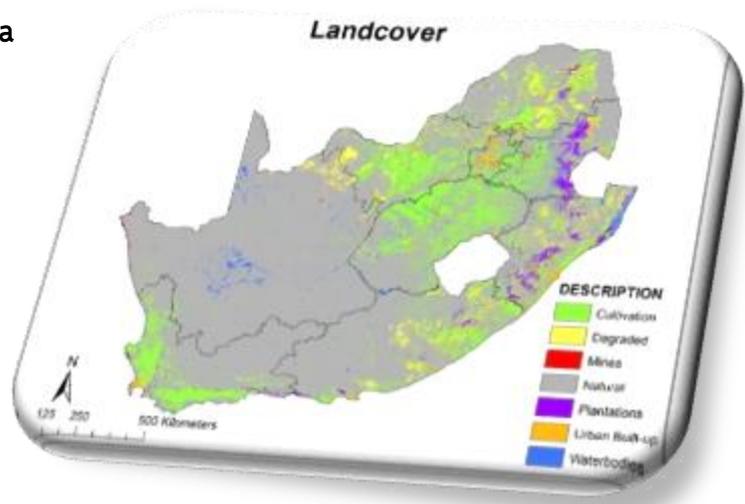
For the purposes of this Fact Sheet, the term “Consumer Goods” is defined as goods that are ultimately consumed rather than used in the production of other goods, and are specifically intended for use in the mass consumer market.

1. THE SOUTH AFRICAN MARKET

1.1 QUICK FACTS & FIGURES

General:

- Official name: **Republic of South Africa**
- Population (Census 2011): 51.77-million
- Measures: metric system
- Time: Two hours ahead of GMT
- Internet domain: .za
- Area: 1 219 090 square kilometers
- Agriculture: 81.6% of total land area
- Arable land: 12.1% of total
- Irrigated land: 10.15% of arable land



Capitals:

- **Pretoria** (administrative)
- **Cape Town** (legislative)
- **Bloemfontein** (judicial)

Economy:

- Currency: Rand (R / ZAR)
- Exchange rate: 100 ZAR = 7.75 € >< 1 € = 13.24 ZAR @ April 30th, 2015
- Real GDP growth rate (2014): 1.6%
- GDP/Capita (2014): 13,046US\$ at current prices [IMF]
- Ranking in terms of GDP size: 25th largest in the world [IMF]
- Consumer inflation rate (2014): 6.13% y/y [StatsSA]
- Producer inflation rate (Feb 2015): 2.6% y/y [StatsSA]
- Prime bank overdraft lending rate (July 2014): 9.25% [StatsSA]
- Unemployment (4th quarter 2014): 24.3% [StatsSA]

Sovereign credit rating (1st quarter 2015):

- Standard and Poor's: BBB
- Fitch: BBB+
- Moody's: Baa1

GDP composition by sector (2011):

- Agriculture 2.5%
- Industry 31.6%
- Services 65.9% [StatsSA]

Key industries:

- Mining (world's largest producer of platinum, chromium and a world supplier of some 57 other minerals)
- Automobile assembly
- Metal- working
- Machinery
- Textiles
- Iron and steel

- Chemicals
- Fertilizers
- Foodstuffs
- Commercial ship repair

Main trading partners (2014) [[Sars](#)]:

South Africa main imports are:

- *fuel (24 percent of total imports),*
- *nuclear reactors,*
- *boilers,*
- *machinery and mechanical appliances (14 percent),*
- *motor vehicles and car parts (9 percent),*
- *telephone sets (3 percent),*
- *pharmaceuticals (2 percent),*
- *vegetables (2 percent),*
- *live animals and animal products (1 percent).*

Main trading partners are:

- *China (15 percent),*
- *Germany (10 percent),*
- *Saudi Arabia (8 percent),*
- *the United States (6 percent), India (5 percent),*
- *Nigeria (4 percent).*

Others include the United Kingdom, Brazil and Angola.

Also see:

- <http://ieconomics.com/south-africa-imports>
- <http://ieconomics.com/imports-south-africa-euro-area>

Three provinces, to wit those of Gauteng, KwaZulu-Natal and the Western Cape, together account for 65 per cent of the country's gross domestic product (GDP).

Gauteng

Gauteng province is the economic hub of South Africa. It is the smallest in terms of size (1.4 per cent of land area) with a population of some 13 million, yet it contributes about 34 per cent of its GDP. **Johannesburg** is the most important city in the province in terms of investment and production.

Estimates are that by 2015 Johannesburg's borders will have grown to the extent that they reach neighbouring Tshwane and Ekurhuleni. This polycentric urban region will have approximately 15 million people, making it one of the largest cities in the world.

Though the city was founded on gold mining, in recent decades businesses have diversified. The finance, IT, real estate, media, private healthcare and transport sectors - coupled with a booming leisure activities market - provide a cornucopia of profitable ventures for start-up businesses.

The manufacturing and construction industries are experiencing a boom. Large-scale urbanisation has ensured that steel manufacturers, cement producers and infrastructure development companies have all been doing well.

- For information on how the Gauteng Economic Development Agency (GEDA) can help visit www.geda.co.za

KwaZulu-Natal

The KwaZulu-Natal (KZN) province, which contributes some 16 per cent to South Africa's GDP with a population of just under 11 million, is home to **Durban** and Richards Bay, two of the largest ports on the African continent. Most of the economic activity is based around these two ports and Pietermaritzburg, the capital city of the province.

Durban is the third most populous city in South Africa and can stake claim to being the busiest container port in Africa whilst Richards Bay – a natural resources port – has large-scale industrialization closely related to the harbour and availability of natural resources.

KZN's manufacturing sector is the second largest in the country. It also offers opportunities in transport, communications, printing and publishing, food and beverage production, non-electrical machinery, iron and steel, textiles and finance. The agricultural sector is also an important one in the province, with 6.5 million hectares of land being used for farming purposes.

- For further information on Trade & Investment KwaZulu-Natal (TIKZN) visit www.tikzn.co.za

Western Cape

The Western Cape is a diverse province that can offer investors opportunities in multiple sectors. The province – with its estimated 6.1 million inhabitants – is important in terms of the South African economy, as it provides almost 16 per cent to South Africa's GDP

It is a wealthy, rapidly growing province that prides itself on being a leader in terms of technology. The ICT sector is experiencing a boom, as many businesses locate in the Western Cape to take advantage of the skill base that exists in the province. It furthermore is steadily consolidating its position as a hotbed for creative industries and design. Fashion items, jewellery and crafts produced in the province are of high quality and are exported to European and American markets.

The primary city in terms of business activity is **Cape Town**, the country's second most populous city. Insurance companies, retail groups, publishers, design houses, fashion designers, shipping companies, petrochemical companies, architects, film studios, and advertising agencies are among the commercial industries that the city is host to.

Furthermore, with the advent of IDZ's or Industrial Development Zones, the Western Cape now is boasting rapid growth in the Oil & Gas sectors (Saldanha Bay IDZ), with another planned at Atlantis specializing in textiles.

- For further information from the Investment and Trade Promotion Agency for the Western Cape (Wesgro) visit www.wesgro.co.za

2. SOUTH AFRICA - FOOD & BEVERAGES - INDUSTRY & TRENDS

2.1 General

South Africa is not only self-sufficient in virtually all major agricultural products but is also a net food exporter, exporting 30% more agricultural goods than it imports. World-class infrastructure, counter-seasonality to Europe, vast biodiversity and marine resources, and competitive input costs make South Africa a significant player in the world's markets.

Agriculture as a percentage of GDP has decreased over the past four decades, currently contributing approximately 2%. This implies that the economy is maturing, moving towards the secondary and tertiary sectors. However, farming remains vitally important to the economy with over 600 thousand people formally employed, and over 8 million directly or indirectly dependent on agriculture for their employment and income. Gross farming income from all agricultural products for the year ended 30 June 2012 is approximately R161bn which is 22% higher than for the previous corresponding period, with increases of 63% from field crops, 9% from horticulture and 12% from animal products.

Agricultural activities range from intensive crop production and mixed farming in winter rainfall and high summer rainfall areas to cattle ranching in the bushveld and sheep farming in more arid regions. Aquaculture (fish farming) is a fast-growing industry, with the focus being put on processed goods to boost the value of exports.

South Africa's five largest export destinations for agricultural products are the Netherlands, United Kingdom, Zimbabwe, China and Mozambique. Fresh fruit is the largest food export, followed by sugar, processed vegetables and fruit, fish products, alcoholic products, cereals and grain.

Table 1. South Africa's top ten largest export destinations for agricultural, forestry and fisheries products by value during 2011 and 2012.

| Calendar Year 2011 | | | Calendar Year 2012 | | | |
|-----------------------|---------------------------------|--------------------------|--------------------------|---------------------------------|--------------------------|---|
| Top 10 export markets | Share in SA total agric exports | Export Value (Bill Rand) | Top 10 export markets | Share in SA total agric exports | Export value (Bill Rand) | Top 3 products exported into major markets |
| Netherlands | 9% | 5.5 | Zimbabwe | 9% | 5.3 | Soybean Oils, Sunflower seeds & Oils, and Wheat |
| United Kingdom | 8% | 5.0 | United Kingdom | 8% | 5.2 | Apples, Grapes & Grape Wines |
| Zimbabwe | 7% | 4.7 | Netherlands | 8% | 5.2 | Grapes, Oranges & Grape Wines |
| China | 5% | 2.9 | China | 6% | 3.7 | Wool, Wood Pulp & Grape Wines |
| Mozambique | 5% | 2.9 | Mozambique | 5% | 3.0 | Sugar, Soups and Broths Maize |
| Indonesia | 5% | 2.9 | Mexico | 4% | 2.6 | Maize, Paper & Wood Pulp |
| Mexico | 4% | 2.8 | Indonesia | 4% | 2.4 | Wood pulp, Cotton & Paper |
| Germany | 3% | 2.1 | Angola | 4% | 2.3 | Maize Meal, Liqueurs & Cordials & Cigarette |
| Korea, South | 3% | 2.0 | Germany | 3% | 2.0 | Grape Wines, Paper & Vegetables |
| Angola | 3% | 1.9 | United States of America | 3% | 1.8 | Grape Wines, Oranges & Wood Pulps |

Source: SOUTH AFRICA'S AGRICULTURAL, FORESTRY AND FISHERIES (AFF) TRADE PERFORMANCE: 2012

In terms of agricultural product imports, the five largest trading partners are Argentina, USA, Brazil, the United Kingdom and Germany. The main consumer-oriented agricultural importers are the Netherlands,

Brazil, United States, Germany and China. Main imported food groups are poultry, processed fruit and vegetables, red meat, snack foods and fruit and vegetable juices.

Table 2. South Africa's top ten imports markets for agricultural, forestry and fisheries products by value between 2011 and 2012.

| Calendar Year 2011 | | | Calendar Year 2012 | | | |
|--------------------------|---------------------------------|--------------------------|--------------------------|---------------------------------|--------------------------|---|
| Top 10 import markets | Share in SA total agric imports | Import Value (Bill Rand) | Top 10 import markets | Share in SA total agric imports | Import value (Bill Rand) | Top 3 products imported from major markets |
| Argentina | 11% | 5.7 | China | 10% | 5.6 | Rice, Kidney Beans & Animal Offal |
| United states of America | 8% | 4.0 | Argentina | 9% | 5.2 | Soybean Oils, Sunflower Seeds or Oils & Grape Juice |
| Brazil | 7% | 3.8 | United Kingdom | 7% | 4.0 | Whiskies, Books & Chicken Cuts |
| United Kingdom | 7% | 3.5 | Brazil | 6% | 3.5 | Chicken Cuts, Sugar & Tobacco |
| Germany | 6% | 3.3 | United states of America | 6% | 3.0 | Books, Food Preparations and Wood Pulp |
| China | 6% | 3.3 | Netherlands | 5% | 2.9 | Soybean Oils, Chicken Cuts & Dogs and Cat Foods |
| Thailand | 5% | 3.0 | Germany | 5% | 2.6 | Soybean Oils, Swine Meat & Chicken Cuts |
| Malaysia | 4% | 2.3 | Thailand | 5% | 2.6 | Rice, Chicken Cuts & Manioc (Cassava) |
| Indonesia | 4% | 2.0 | Indonesia | 4% | 2.4 | Palm & Kernel Oil, Wood Doors & Coffee |
| Netherlands | 4% | 1.9 | Malaysia | 4% | 2.3 | Palm & Kernel Oil, Cocoa Butter & Vegetable Fats & Oils |

#Source: SOUTH AFRICA'S AGRICULTURAL, FORESTRY AND FISHERIES (AFF) TRADE PERFORMANCE: 2012

South Africa's agri-processing sector consists of 12 downstream sub-sectors.

These are:

- meat processing;
- preserving fruits and vegetables;
- dairy products;
- canning and preserving fish;
- fruit canning and jams;
- vegetable and animal oils and fats;
- grain mill products;
- sugar mills and refineries;
- chocolate and sugar confectionary;
- prepared animal foods;
- bakery products and other food products such as starch and starch products;
- ready-made meals.

Many South African companies have formed associations with overseas ones to gain access to the latest technology and expertise in their respective industries. Examples of these are Simba with Frito-Lay (USA) in the snack food industry, Robertson's with Bestfoods (USA) in savory foods and soups, and NCD Clover with Danone (France) in dairy products.

In terms of regional manufacturing, half the companies operating in the food and beverages sector are located in Gauteng. There are approximately 4,000 food-processing companies operating in the province. Most distribution hubs are also located in Gauteng, with many international food and beverages companies using it as their springboard into Africa.

Although there are over 1,800 food production companies, the top ten are responsible for 70% of the industry's turnover. South Africa's key players include national and multinational companies such as Tiger Brands, AVI, Premier Foods, Pioneer Foods, FoodCorp, First SA Foods, Nestlé, Clover SA, Parmalat SA, Rainbow, Kellogg's SA and South African Breweries.

2.2 Organic & Natural Foods

There is a global movement towards organic, bio-diverse, seasonal and sustainable food. In South Africa, this movement is still small but is gaining momentum: increasingly people are planting their own vegetable gardens; they are demanding sustainable fish products; and chefs are becoming pedantic and vocal about using the freshest ingredients and staying as local as possible.

Consumer demand for organic produce and products that are chemical free is far outstripping supply. Supermarket chains such as Woolworths, Pick n Pay and Checkers report significant increases in sales and are embarking on extensive market research to support this lucrative segment.

As there is currently no final legislation governing the production of organic produce in South Africa, organic produce is grown in line with international regulations, working closely with the Agricultural Product Standards Act 1990 (Act 119 of 1990). All the farmers or processors packing products that are sold as organic in Pick n Pay stores must be certified by certification authorities, such as SGS, Ecocert, British Soil Association, BDOCA, and Afrisco.

Pick n Pay's organic range offers consumers 100% organic products, to quality items produced the natural way. They don't see organics as a passing phase but feel that they are here to stay and are constantly evolving and expanding to offer consumers more choice. Pick n Pay supports the process of converting to fully-certified organic production. While a farmer is waiting for registration their produce is labeled as "in conversion organic".

Woolworths offers South African consumers the widest range of certified organic products, both fresh and processed, and are continually introducing new organic options to their range of foods. The current Woolworths 'Good Food Journey' campaign aims at bringing South Africans more food options they can trust, and are aiming for 60% of Woolworths products with a sustainability attribute by 2015 and 100% by 2020.

South Africa has several organic wineries, and the wines they produce are becoming more in demand as many people seek to not only eat organic food but enjoy organic beverages. There are several organic wines available, including Waverly Hills Organic Wines, Lazanou Organic vineyards, Stellar Organic Winery and Bon Cap Organic Winery.

One of the new products is Scheckter's Organic Energy, which claims to be the world's first 100% Natural, Organic and Fair Trade approved energy drink. It is sold at Woolworths, Wellness Warehouse, Kauai, Engen QuickShops, Fruit& Veg City, etc.

Of the 200 certified organic operations in South Africa, 77% have gone into conversion over the past four years which calls into question whether supply can realistically keep up with demand. The popularity of and demand for organic and complementary health products has led to industry demands for new and innovative ways to expand the industry, with a number of exhibitions and fairs on offer to showcase new entries.

2.3 Processed Foods

Food production is South Africa's largest manufacturing sector. South Africa produces a wide variety of crops and has a substantial number of secondary food processing industries. The sector is developed, highly concentrated and competitive, producing high quality and niche products for local and international markets.

This industry is dominated by a few very large, diversified, national and multinational food manufacturers and although there are over 1800 food production companies, the top ten are responsible for 70 % of the industry's turnover. South Africa's key players include national and multinational companies such as Tiger Brands, AVI, Premier Foods, Pioneer Foods, FoodCorp, First SA Foods, Nestle, Clover SA, Parmalat SA, Rainbow, Kellogg's SA, and South African Breweries.

These food processors tend to be involved in a number of food groups, have established market shares, and control both production capacity and sales in most food categories. New and smaller processors play an important role and continue to change the competitive environment of food processing in South Africa despite their limited market share. They all depend on formal retail chains to sell their manufactured products.

Big multinational companies, such as Nestle (Switzerland), Unilever-Unifoods (UK), and Borden (US), operate their own manufacturing plants in South Africa. Some multinationals companies do not have processing facilities, but have arrangements with local manufacturers. For example, branded packaged foods of Knorr are manufactured under license by Robertson's, a major South African spice packer and food processor.

2.3.1 Bakery Products (including biscuits & breakfast cereals)

Although the bakery and confectionery industry seems to be one of the biggest income generating subsectors, a large part of the size of this sector is reflected in the production of standard white and brown bread.

The major product of the baking industry is bread and approximately 70% all flour produced is used for bread baking. Bread is produced by three types of bakery – the plant or industrial bakery, the in-store bakery and the stand-alone bakery.

The Plant producers, Tiger Brands (Albany Bakeries), Pioneer Foods (Sasko Bakeries), FoodCorp (Sunbake Bakeries) and Premier Foods (Blue Ribbon Bakeries), have approximately 80% of the bakery market share between them.

Since deregulation in 1991, the number of in-store and stand-alone (particularly franchise) bakeries grew dramatically, and today nearly every supermarket has its own in-store bakery. Consumers who purchase cakes and pastries tend to purchase them fresh on the day from small bakeries, confectioners, farmers markets or in-store bakeries.

The craft sector, which includes in-store bakeries, provides specialty breads and other products. Here, the trend is to make consuming bread an even more pleasurable experience by providing 'theatre' (bakery visible) alongside café and counter areas. The issues of 'healthy' and 'nutritious' apply in South Africa. Added fibre, low GI, omega 3 fortified breads, soy and linseed loaves are all popular in the more affluent areas. South Africa is also seeing a growing trend for artisan foods – high-quality breads, produced in a non-industrial, traditional, typically small-scale manner. These are mainly available in small bakeries, farmers markets and natural food stores. A number of franchise operations such as Butterfields and good quality family bakeries such as Fournos, mainly situated in shopping malls, are also part of this sector. Some parts of the industry which are commonplace in Europe are in their infancy in South Africa, for example, frozen dough production and ready-to-bake products.

As regards the production of biscuits, National Brands (a subsidiary of AVI Ltd) continues to dominate biscuits in South Africa with its Bakers brands leading the sweet biscuits category and Provita brands leading the savoury biscuits and crackers category. Bokomo Foods, a division of Pioneer Food Group, with its Kwality brand, is ranked second followed by Kraft Foods with its Chips Ahoy! Brand.

Approximately 80% of the biscuit market is made up of sweet biscuits, with savoury biscuits and rusks making up the rest of the market.

There is limited new development in flavors for biscuits, with vanilla being the number one flavor ingredient. Other cream fillings that are popular are lemon, butterscotch, chocolate and coconut. Bacon and spring onion head the list for the savory biscuit range.

Breakfast Cereals

Bokomo Foods, a division of Pioneer Food Group, and Kellogg Co of South Africa lead the breakfast cereals market, with each owning just under one third value share. Other large companies are Tiger Brands and Jungle Oats Co, a division of Tiger Brands, as well as Nestle.

Health and wellness, including low GI and high fibre content, continues to be a key trend in cold breakfast cereals. Hot cereals are popular, and hold just over 50% of the market. This is due to the practicality of the product, which provides a cheap and cost effective meal, and gives a feeling of satiety. Growth in this market has been driven by the introduction of instant cereals, which provide health-conscious consumers with a convenient and nutritious option.

2.3.2 Dairy: Cheese, Yoghurt & Ice Cream

Cheese

Cheddar continues to be the favorite cheese among South African consumers, with over 50% of cheese production being cheddar. Gouda is the next favourite (20%), followed by Mozzarella, Feta, Cream cheese, Cottage cheese, Edam and Emmental.

Consumers typically stick to the cheese types that they know. However, cheese choices have been evolving in tandem with an increasing number of new products on the market. Improved quality, wider variety and changing lifestyles are positive factors already influencing demand for cheese. The worldwide trend of eating more meals outside the home is also prevalent in South Africa and a large proportion of the growth of cheese sales has been in the food service industry. The popularity of television food programs and glossy food books, highlighting cheese as an ingredient, have also influenced the growing popularity of cheese in this market.

Supermarkets dominate the retail sales of cheese, and a number of outlets have dedicated areas with a wide variety of cheeses on offer. Specialty stores, delicatessens, gourmet farm stalls and morning markets are also playing a significant role in expanding consumers' experience of and enthusiasm for new cheese tastes.

Yoghurt

The yoghurt market in South Africa has averaged a 7% growth over the last decade and approximately 67 million litres of yoghurt is consumed annually. Growth has been driven by the larger players and continued product innovation. Growth has also been assisted by the increasing demand for healthy, tasty foods. Value added ingredients such as lower sugar and fat content and functional ingredients such as pre and probiotics, collagens, Q10, Omega-3 and soy extract have all positioned yoghurt as a healthy indulgence. Some medical aids schemes, in conjunction with retailers, have also introduced consumer incentives by offering reduced prices on healthy products such as fat-free yoghurt. Yoghurt also has the added benefit of fitting into the on-the-go trend.

Danone is the market leader, followed by Dairybelle and Parmalat. Danone's Nutriday brand is the leading yoghurt brand, followed by Dairybelle's Fruits of the Forest brand and the Parmalat brand. More than 80% of all production is channeled directly into the retail sector. The market is dominated by 100g packs (46% of volume), followed by 1kg (27%). Multipacks continue to be popular, with a wide variety of configurations available. Rigid plastic is the dominant pack type.

Ice cream

Following the decline in ice cream consumption during the 2009 recession, the category made a good recovery in 2010 and has continued to grow since. The South African ice cream market is dominated by Ola (a division of Unilever) and Dairymaid Nestlé. Leading brands are Magnum from Ola and Country Fresh bulk ice cream brand from Dairymaid Nestlé.

Although the biggest volume share of the market (around 65%) goes to non-portioned ice cream (mainly 2 and 5 litre tubs of scoop ice cream), portioned ice cream (stick or cup) has the largest market value share (around 45%).

Health and wellness and indulgence will remain key trends when it comes to innovation. Whilst it is difficult to reduce sugar and fat levels without compromising on taste, manufacturers are placing greater emphasis on using natural ingredients, 'good' fats and adding value through functionality such as additional calcium.

2.3.3 Chocolate

The retail chocolate market is valued at R5.03bn and is predicted to grow at a rate of more than 10% a year over the next five years. This growth is expected to continue despite the increasing costs of chocolate products, due to the rising costs of raw materials.

The retail market is highly consolidated with Cadbury (a subsidiary of Kraft Foods), Nestlé and Beacon controlling 85% of retail sales. However, small artisan chocolate manufacturers are beginning to enjoy a larger chunk of the market.

Chocolate slabs are by far the most popular chocolate choice, holding over 50% share of the market yet the specialty market has grown over the past few years: manufacturers have focused particularly on boxes and novelty chocolates; and there have been new product imports and product launches for boxes and packets. Leading brands are Cadbury's Dairy Milk, Lunch Bar, PS and Chomp, and Nestlé's Bar One and KitKat.

The market is, however restrained by consumers' belief that consuming chocolate carries health risks such as weight gain and increased cholesterol. This indicates an opportunity for healthier options, where consumers can indulge without feeling guilty.

Manufacturers have reduced portion sizes both internationally and locally. The reduction in size is not only health driven but also price as manufacturers respond to the rising cost of cocoa ingredients.

Sustainable business practice is also affecting the South African chocolate market to some extent: the first Fairtrade chocolate bar, Cadbury Dairy Milk, was launched in 2011.

2.3.4 Frozen meals

Lifestyles are getting busier in South Africa also and, as the size of the middle class increase, there has been significant increases in sales of packaged foods and ready prepared/convenience foods. Opportunities are to be found within processed and convenience foods as demand for these products rise. Strong growth is expected to continue in this category, especially through increased distribution. However, consumers will continue to be swayed by affordability.

The market for prepared meals in South Africa is dominated by large food companies - Tiger brands, Pioneer Foods and Unilever being the main ones - who provide retailers with branded products as well

as private label products. Mc Cain Food leads the South African frozen processed food market, followed by Irvin & Johnson, Woolworths Holdings and Heinz.

Most frozen meals are purchased in supermarkets, with Woolworths being the market leader. The fast growing distribution channel of on-site shops located at petrol stations and the extended range of microwavable pre-packed meals are also expected to have a positive impact on this segment of the market.

South Africa follows global trends regarding prepared foods: convenience and speed in preparation; health and wellness, specifically with reduced fat, sodium and carbohydrates; affordability; increased demand for frozen snacks; and single serving sizes.

2.3.5 Beverages

2.3.5.1 Non Alcoholic Beverages

Cool Drinks

Although there has been a significant increase in the number of health drinks sold, soft drink sales in South Africa are dominated by carbonates. The South African soft drinks market is expected to grow by 14.5% in volume between 2010 and 2015, according to Euro monitor International. This is slower than the 24.6% in the five years to 2010 but still represents a bigger opportunity than more mature markets.

Coca-Cola (manufactured through ABI, a division of SABMiller) dominates South African soft drinks with a 53.5% volume share (2011). ABI also distributes Appletiser, TAB, Schweppes and Nestea, and the company dominates carbonates, accounting for more than 75% of total off-trade volume sales.

Other strong players are Bromor Foods and Pioneer Foods. Bromor Foods, a division of Tiger Brands, has a strong concentrates and sports and energy drinks profile with brands like Energade and Hall's fruit juice drinks. Pioneer Foods, which manufactures Pepsi under licence, and is the holding company of Continental Beverages (concentrates) and Ceres Beverage Company (fruit juices) has brands like Lipton Ice, Mirinda, 7Up and Mountain Dew.

Trends from Western Europe are gradually filtering through to South Africa to include health, wellness, more convenience packaging and a move to more unusual flavors. The growth of convenience stores and forecourts, as well as packaging innovations within existing brands have appealed to the demand for convenience. The small number of new launches within the category have tended to meet the demand for health and wellness by being rich in antioxidants, vitamins and minerals, and containing reduced sugar. The gap between the price of carbonated drinks and healthier ones appears to be decreasing, and this is expected to encourage growth in this sector.

Although traditional fruit flavours such as apple and orange will continue to be favorites, new exotic flavours are starting to make an impact. Recent launches include: Innesense, from Chill Beverages, in flavours such as vanilla rooibos and with no added flavours, colours or preservatives; a malted apple drink Soraya from Soda King; and Foodcorp's limited edition Smooth Tropical Fruits flavor for its Mageu Number 1 brand (mageu is a traditional non-alcoholic beverage made from fermented mealie porridge).

Functional drinks in SA are becoming more prevalent. Everybody is interested in alternative soft drinks, with less sugar and more benefit from the product. Also, the prices for mainstream products are only a little cheaper than energy drinks, and this is encouraging consumers to choose the healthier option.

Energy drinks were being hailed a decade ago as the next big thing for emerging markets such as South Africa. The recession has put a dent in such buoyant confidence and growth has been slower than many would have predicted – but energy drinks still represent a big opportunity in SA. The main brands in SA are Energade (Tiger Brands) and Powerade (ABI) while more niche brands include Volt from Lentas Beverages and the first certified organic and vegetarian energy drink, Scheckter's Organic.

Hot Drinks

Tea and coffee are widely consumed in South Africa. National Brands leads the hot drinks (coffee, tea and other hot drinks) market in South Africa, followed by Nestlé and Unilever. Nestlé's Ricoffy (chicory based 'coffee') is the leading brand, followed by Joko from Unilever and Five Roses from National Brands (both tea).

A. Coffee

Nestlé dominates the South African coffee market, followed by National Brands with its House of Coffees brand, which is the leading brand within fresh coffee. Other coffee brands are Kenna and Ciro (Swiss Brands) and Jacobs (Kraft Foods).

Convenience as well as value for money will continue to be key drivers of growth in South African coffee. The trend towards more premium instant coffee among the upper income groups will continue. There may also be a move towards organic coffee among these consumers as the health and wellness trend takes hold.

We are seeing a change in the local coffee culture as South African consumers become more adventurous in trying out new options. More and more coffee drinkers have bean-grinders at home, indicating a growing shift away from drinking instant coffee. A number of new independent coffee shops with their own in-house coffee roasters have appeared in the past few years.

Ciro (AVI) has picked up on consumer's growing social consciousness about where their coffee originates from and how it is produced. They have Fairtrade accreditation and launched an extended range of sustainable coffees at the end of 2012. Lani Snyman, Ciro's research, training and development manager, said that although most South Africans drank tea and instant coffee, consumption of other types of coffee, such as brewed coffee and espresso was growing.

B. Tea

Black tea dominates the tea market in South Africa, followed by Rooibos and iced tea, and then specialty teas. Rooibos has had the highest growth of all tea categories in the past few years.

Specialty tea maintains a niche positioning with small volumes and good growth. Category growth seems to have been fuelled both from a supply and demand perspective. From the supply side, there has been a steady supply of new variants to encourage consumer interest in the category and on the demand side consumers are actively seeking out food and beverage options that offer health and wellness benefits.

The health trend has produced a success story in Red Espresso, a naturally caffeine-free espresso made from rooibos tea. Red Espresso has won five awards for innovation, including making history as the first tea to earn coffee's highest honour at the Specialty Coffee Association of America (SCAA) by winning the Best New Product – Specialty Beverage Award 2008/9. The product is listed on the menus of a number of chains, such as Mugg & Bean, and over 1000 independent cafes as well as being on sale in retail stores such as Spar, Pick n Pay and Woolworths.

C. Other Hot Drinks

Other popular hot drinks on the South African market are predominantly either chocolate or strawberry flavored powders or malt powders. Most are also available in convenient ready-to-drink formats. Nestlé dominates with its two brands, Milo and Nesquik. Milo is a chocolate drink, fortified with Actigen-E which promotes the optimal release of energy from food. Nesquik is fortified with Calci-N which promotes calcium absorption, it has no artificial colourants, and is available in chocolate and strawberry flavour.

Other chocolate flavored brands are Cadbury Bournville Cocoa and NoMU. The favorite malt drink is Horlicks, which is made from wheat, milk and malted barley. The key trends of affordability, indulgence, convenience and health and wellness are also evident in this market. We can expect a greater focus on fortification in order to appeal to consumer's health concerns. Chocolate-based flavored powder drinks will continue to focus on affordability and indulgence.

2.3.5.2 Alcoholic Beverages

A. Beer

South African Breweries (SAB), the South African division of brewing giant SABMiller, is one of the largest companies in South Africa. It is the largest beer producer in South Africa with close to 90% of market share. United National Breweries and Brandhouse Beverages are the major competitors.

SABMiller's Carling Black Label, Hansa Pilsner and Castle are the top three beer brands.

United National Breweries is the leading manufacturer of Traditional African Sorghum Beer, popular in the more traditional African market.

Lager, however, is the preferred beer in South Africa (SAB gives figures of 26.85 million hl in their March 2012 report), as the hot climate favours cold drinks. Ale consumption is relatively rare and ale is only made by small breweries or imported.

A number of smaller microbreweries have sprung up and these tend to compete regionally. The largest of these is Mitchell's Brewery in Knysna. There is also a growing upsurge in craft brewing, with the number of producers, events and trade fairs increasing each year.

- Microbreweries can be found on http://en.wikipedia.org/wiki/Beer_in_South_Africa

B. Wine

South Africa has been making wine for over 300 years, and produces some of the finest wines in the world. It is the 7th largest producer in the world, contributing around 4% of international wine production.

The most important influence on this industry is the location. The two main regions are in the Western Cape (Stellenbosch, Franschhoek, Paarl, Worcester and Robertson near Cape Town and known as the Cape Winelands) and the Olifant's and Orange River regions in the Northern Cape, Limpopo and Eastern Cape. Over 100 000 hectares are planted with vines for wine production and over 900 million litres are produced every year by local wineries. This equals more than 1.2 billion wine bottles.

Average wine sales, both in the domestic market and in the export market, have continued to grow, with just 321 million litres being sold on the domestic market in 2012, and 409 million litres being exported. Sales on the domestic market continue to increase, indicating increasing consumer interest in the wine industry.

South Africa has the highest number of Fairtrade-accredited wineries worldwide, with 65% of Fairtrade wines sold globally coming from this country.

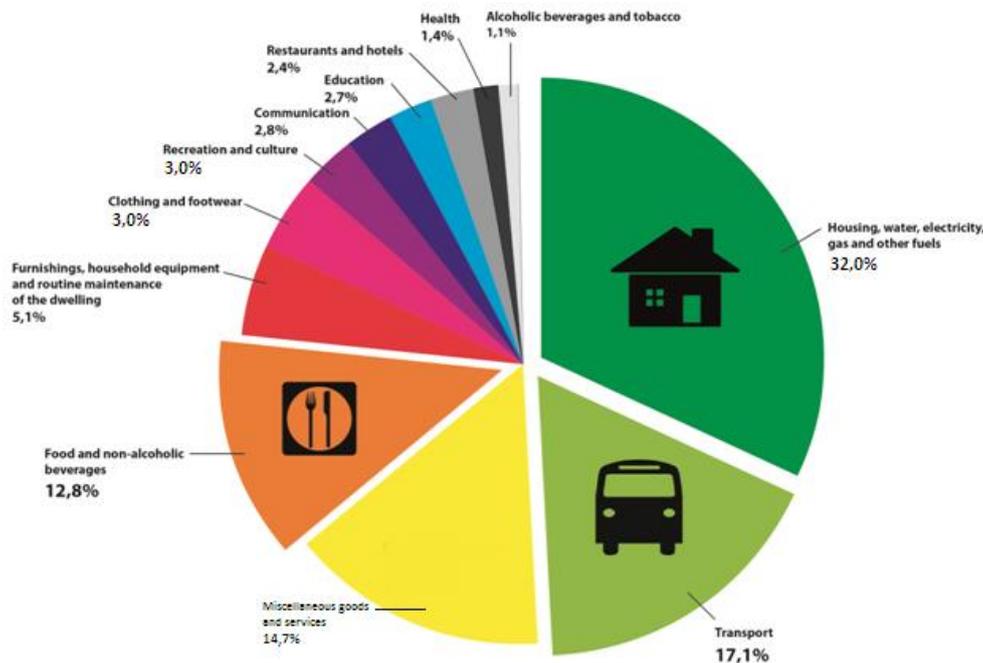


3. CONSUMPTION & DEMAND

Local Consumption Patterns

While South Africa remains the most unequal country in the world in terms of income distribution, its middle class continues to expand, driving robust growth in consumption expenditure as consumers flock to the country's ever-increasing number of shopping malls.

Statistics South Africa conducts an Income and Expenditure Survey (IES) every 5 years to establish what South Africans spend their money on, so that the basket of goods which makes up the Consumer Price Index (CPI), used to calculate the inflation rate, can be updated. The last IES was conducted between September 2010 and August 2011.



Over the survey period (Sept 2010 – Aug 2011), 32.0% of overall household consumption expenditure went to housing, water, electricity, gas and other fuels. An average household would have spent approximately R 30 505 on this item during the survey year. Black African-headed households spent approximately a quarter (26.5%) and coloured-headed households spent three-tenths (30.4%) of their consumption expenditure on this group. Indian/Asian (36.9%) and white-headed (37.9%) households spent more than a third of their expenditure on housing, water, electricity, gas and other fuels.

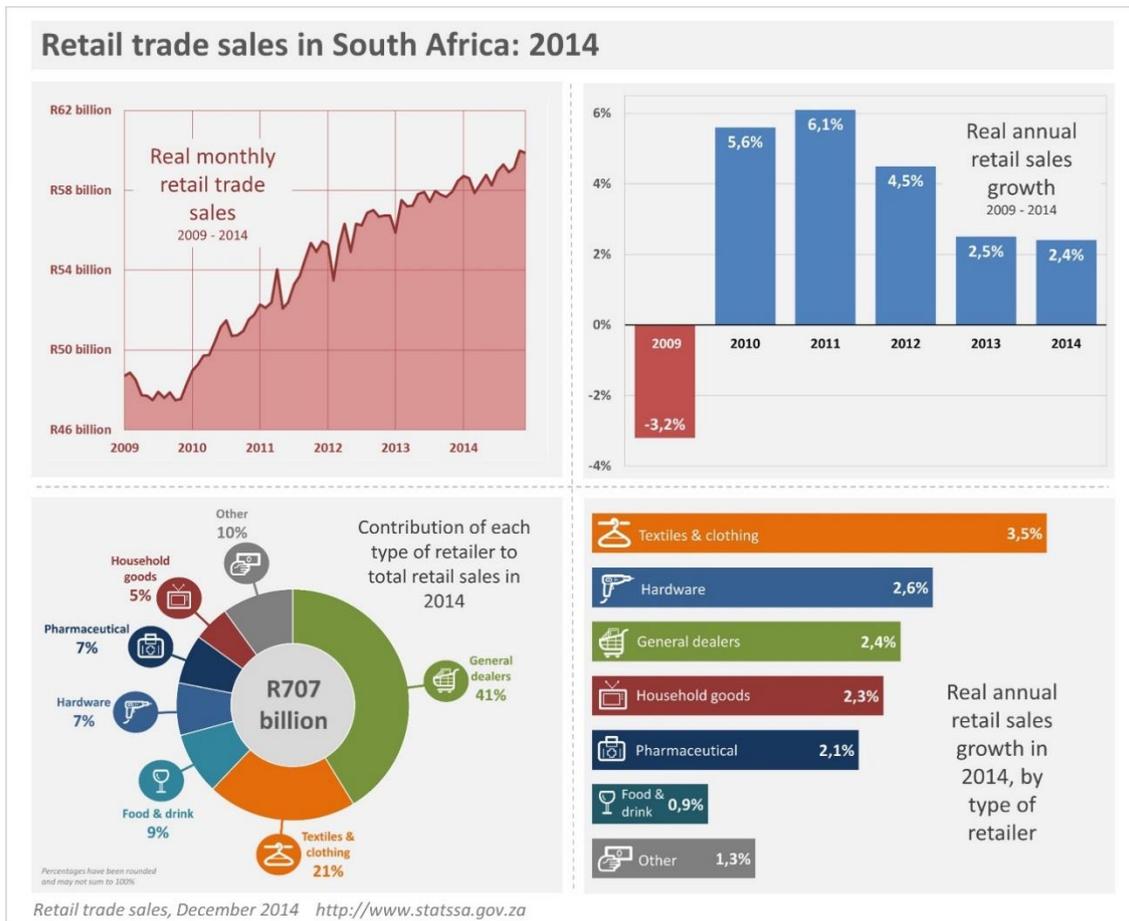
When combined with expenditure on food and non-alcoholic beverages, which is the fourth-largest expenditure group at 12.8%, these two items account for almost 50% of household expenditure. Essentially, one out of every two Rand spent by South African households goes towards housing and food expenditure items.

Trends in consumer spending & retail

Consumer Spending in South Africa increased to 1,843,463 ZAR Million in the fourth quarter of 2014 from 1,836,090 ZAR Million in the third quarter of 2014. Consumer Spending in South Africa averaged 869,794.17 ZAR Million from 1960 until 2014, reaching an all-time high of 1,843,463 ZAR Million in the fourth quarter of 2014 and a record low of 260,612 ZAR Million in the first quarter of 1960.

- Consumer Spending in South Africa is reported by the South African Reserve Bank.

Retail Sales in South Africa increased 4.20 percent in February of 2015 over the same month in the previous year. Retail Sales YoY in South Africa averaged 4.98 percent from 2004 until 2015, reaching an all-time high of 15.40 percent in September of 2006 and a record low of -6.80 percent in April of 2009. Retail Sales YoY in South Africa is reported by the Statistics South Africa.



Also visit:

- <http://beta2.statssa.gov.za/publications/P62421/P62421May2014.pdf>
- <http://www.tradingeconomics.com/south-africa/consumer-spending>

4. DISTRIBUTION CHANNELS

South Africa offers foreign suppliers a variety of methods to distribute and sell their products, including using an agent or distributor, selling through established wholesalers or dealers, selling directly to department stores or other retailers, or establishing a branch or subsidiary with its own sales force.

Wholesalers

Consumer goods requiring maintenance of stocks and industrial raw materials are often exported to South Africa through established wholesalers.

Retail Organizations

Many exporters of consumer goods sell directly to South African retail organisations – including consumer corporations, department stores, chain stores, and co-operative groups of independent retailers – which assume the functions of wholesale buying, selling and warehousing.

Consumer Retail

South Africa offers the full spectrum of retail outlets: small general dealers; specialty stores handling a single product line (such as clothing, electronics, or furniture); exclusive boutiques; chain stores (groceries, clothing, toiletries, household goods); department stores; cash and carry wholesale retail outlets; and co-operative stores serving rural areas. Large-scale supermarkets, or hypermarkets, are located in suburban shopping malls and sell large quantities of almost all consumer goods.

About 90 percent of the consumer trade inventories of these stores are domestically sourced.

Franchises

Franchising is well-established in South Africa, with the sector showing strong and continued growth. Around 30% of South African franchises are non-food systems, with an emphasis on service. Building, office and home services sectors are dominant, with automotive, restaurant, health, education and training franchises also available.

E-Commerce

Though e-commerce still can be considered to be in its early stages, South Africa is seeing a notable growth in e-commerce. The role of companies such as PayU (local experts in online payments – www.payu.com) is integral to the successful entry and growth of e-commerce retailers in this space.

While e-commerce might not have exploded for most retailers yet, sales figures are on the rise, almost every month. Consumers are becoming more comfortable with e-commerce and while it has not exploded yet, it surely will, given that South Africa inevitably does follow the technology trends of the rest of the world (*albeit a few years later*).

Some remaining stumbling blocks to exponential growth still include:

- *Delivery charges are prohibitive. Consumers would rather go into a store than spend on delivery.*
- *Consumers are (still) worried about security, specifically related to credit card fraud.*
- *Consumers are worried about size and fit (for instance if clothing is sold) and are not sure about how they would go about returning items.*
- *Where site content is thin, consumers feel unsure about purchasing and would rather go in-store to get advice.*

Also see: http://www.effectivemeasure.com/documents/South_Africa_Ecommerce_Report-Feb14.pdf

Agents & Distributors

In South Africa, the terms "agent" and "distributor" have very specific meanings.

Agents: In the strict legal sense, "agent" means a person who, for and on behalf of a principal, either introduces a third party to the principal by soliciting orders from the third party, or concludes contracts with the third party on behalf of the principal. The normal reward for an agent is a commission, which is received from the principal.

Key considerations in appointing an agent in South Africa are:

- You need to appoint an agent who knows your market well. The South African business sector is relatively small, and companies have established methods of procurement that differ from sector to sector.
- You need to consider national distribution. South Africa is a large country, with nine provinces. Lacking the support of national infrastructure, smaller agents often tend to operate provincially. This means you may need to appoint an agent in each of the larger cities – Johannesburg, Cape Town, Port Elizabeth and Durban – to cover the country. Larger companies who take on agencies often have an office in each of the major centres, making any agency agreement easier to control.
- For certain products, South Africa is a trading hub for the southern African region, and you need to consider whether your South African agent should handle business in these countries on your behalf.

Distributors: A distributor buys and holds stock of a product. In return, they are usually granted an exclusive right to sell the product in a particular area or to a particular type of customer. An agreement with a distributor is similar to an agreement with an agent, except that price and delivery terms will differ because the distributor is a principal.

When appointing a distributor in South Africa, the same considerations apply as when appointing an agent.

5. MAJOR FOOD & BEVERAGE RETAILERS



Also see:

1. <http://www.fastmoving.co.za/retailers/category/general-supermarkets-196>
2. <http://www.fastmoving.co.za/retailers/category/convenience-stores-205>

5.1 Route to Market

Food distribution patterns in South Africa are changing. Until recently at least half of food sales went through wholesale and cash and carry outlets, chiefly as the result of the lack of formal retail outlets on the outskirts of urban and in rural areas. However, with the growth of disposable income outside of cities, the biggest supermarket chains, such as Pick n Pay, Shoprite and Spar, are investing in these areas. These developments are in turn affecting what is eaten. Consumer exposure to a greater variety of foods and an equivalent reduction in the time that is available to prepare meals has meant that there has been a marked increase in sales of convenience foods.

South Africa has a full spectrum of retail trade outlet types. These range from neighborhood convenience stores (called cafes) to small general dealers, specialty stores handling a single product line, exclusive boutiques, chain stores (groceries, clothing, toiletries, and household goods), department stores, supermarkets, hypermarkets, cash and carry wholesale-retail outlets and co-operative stores serving rural areas.

Some retailers prefer to deal directly with foreign suppliers, while others prefer to deal with a local importer or agent. This means that Flemish exporters will have to appoint a local importer or agent but will also have to contact the relevant buyer for each retailer, and supply directly if this is their preference.

Appointing an appropriate importer or agent is crucial in ensuring that the product develops a respected reputation in the country through the correct channel/s.

In South Africa, only a few importers specialize in one product. Most importers are generalists who import a wide range of food products. Agents who represent one foreign supplier are also relatively rare. Most exporters appoint a single agent capable of providing national coverage either through one office or a network of branch offices and/or distribution centers.

It is important for a Flemish exporter to maintain close contact with the local agent to track changes in importing procedures and to ensure that the agent is effectively representing his or her interests.

5.2 Importers & Distributors

South Africa has a large number of food and beverage importers and distributors. Some examples include:

| IMPORTER | FUNCTION | MAIN PRODUCTS/ BRANDS |
|---|---|---|
| PATLEYS Specialty food division of Bidvest Foodservice Head office: Johannesburg Warehouses: Cape Town, Durban, Bloemfontein, Port Elizabeth Member of CEISA www.patleys.co.za | Claim to be the largest importer and distributor of premium food products. Deal with the major retailers as well as independent retailers and wholesalers | Premium brands – dry groceries, biscuits and snacks, confectionery and perishables, e.g. <i>Alpro, Bertolli, Holsum, Knorr, Lurpak, Maille, Mazzetti, Pralinutta, Tabasco, Thistlewood, Van Der Meulen, Ybarra, whilst its own brand is Gold Crest</i> |
| TACOMA FOODS Head office: Cape Town Distribution centres: Johannesburg, Durban, Bloemfontein, Port Elizabeth www.tacoma.co.za | Importing, warehousing, distribution (ambient, frozen, chilled), merchandising, brand marketing and support, food technical support, labeling legislation support | Deli, coffee, tea, cheese, cream, dairy alternatives, crisp breads, soya drinks, bakery, confectionery, snacks, e.g. <i>Arnott's, Emmi, Kinnerton, Earth & Co, Laita, Westland, Grandos, Mathew Walker</i> |
| M&L Distributors Head office: Cape Town Sales offices: Johannesburg, Durban, Port Elizabeth www.distributors.co.za | Importing, warehousing, distribution, marketing Dedicated chocolate and sugar confectionery warehousing and distribution | Non-perishable grocery items, e.g. <i>Barilla pasta, Borges olive oil, Lavazza coffee, Gundelshheim, Tate and Lyle, St Dalfour, Schwartz;</i> <i>Cheese, e.g. Jarlsverg, Bergader, Chevington, Castelli, Henri Willig;</i> <i>Chocolate and sugar confectionery, e.g. Droste, Swiss Prestige, Swiss Delice, Niederigger</i> |
| RIESES Food Imports Head office: Cape Town National distribution www.rfi.co.za | Importing, warehousing, distribution | Dry groceries, confectionery, beverages, biscuits, pet food, e.g. <i>Bacchini, Blaze, Clauthaler, Davidoff, Ewald, Fantico, Panealba, Pomi, Serena, Sonko</i> |
| MISTRO Catering Supplies Head office: Johannesburg Distribution: Gauteng, North West, Mpumalanga, Free State www.mistro.co.za | Importing, warehousing, distribution Suppliers to the food service industry, hospital, hotel and entertainment, mining and public sectors | Catering supplies, catering equipment, dairy products, groceries, crockery, packaging and cleaning equipment |

5.3 Retailers

South Africa has a mature and developed retail market.

All of South Africa's leading grocers are multi-format retailers running a pool of hypermarkets, superstores, supermarkets, convenience stores, and cash-&-carry and non-food outlets across the country. Sales through hypermarkets, supermarkets and discounters are the most lucrative, with supermarkets constituting the largest share of the retail industry.

The major supermarket chains offer much the same range of products and brands. Some, like Woolworths and some Spar stores do this by targeting the upper-income group shopper segment. Others, like Pick n Pay and Shoprite-Checkers, go head-to-head more on price and shopping experience whilst Shoprite-Checkers is very strong in the predominantly black areas. Woolworths is stronger in the smaller 'up-market' segments.

Most retail chains have in-house import departments and/or will use third party distributors/importers to facilitate the purchase and delivery of imported goods. Some supermarkets would prefer to deal with the foreign manufacturer directly because an import agent or a distributor acting as a middleman can add up to 30% to the cost of the product, resulting in lower margins for the supermarket.

Convenience continues to drive growth in South African retail sales. This has meant, among other, that the formal retail trade has grown at the expense of the "spazas" (informal street vendors). As supermarkets have penetrated into rural and township areas, the market for informal vendors has diminished.

A major phenomenon in South Africa has been the evolution of hypermarkets, which sell large quantities of a broad range of consumer goods on a self-serve basis. Located in suburban shopping centers/malls, they've put significant pricing pressure on local retailers by purchasing directly from manufacturers and bypassing the wholesaler, typically with lower margins and higher turnover.

| RETAIL CHAIN | OUTLETS | STORES IN SA | STORES OUTSIDE SA |
|---|-----------------------|--------------|--|
| Shoprite Holdings www.shopriteholdings.co.za | Shoprite Supermarkets | ✓ 339 | ✓ 85 |
| | Checkers Supermarkets | ✓ 162 | ✓ 5 |
| | Checkers Hyper | ✓ 23 | ✓ 0 |
| Pick n Pay Retail Group www.picknpay.co.za | PnP Family Stores | ✓ 282 | ✓ 94: Total number of stores in Africa |
| | PnP Supermarkets | ✓ 174 | |
| | PnP Hypers | ✓ 20 | |
| | PnP Express Franchise | ✓ 9 | |
| | PnP Liquor Corporate | ✓ 117 | |
| | PnP Liquor Franchise | ✓ 85 | |
| | Boxer Supermarkets | ✓ 99 | |
| | Boxer Liquor | ✓ 8 | |
| Spar Group www.spar.co.za | Spar | ✓ 439 | ✓ NIL |
| | Super Spar | ✓ 295 | |
| | Kwik Spar | ✓ 134 | |
| | Tops Liquor | ✓ 538 | |
| Woolworths www.woolworths.co.za | Woolworths | ✓ 347 | ✓ 54 |
| Walmart http://corporate.walmart.com | CBW Wholesalers | ✓ 61 | ✓ 13 |
| | Game | ✓ 94 | ✓ 13 |
| | Makro | ✓ 16 | ✓ 0 |
| Fruit & Veg City www.fruitandvegcity.co.za | Fruit & Veg City | ✓ 53 | ✓ 15 |
| | Food lover's Market | ✓ 47 | ✓ 0 |

A. Shoprite Holdings - www.shopriteholdings.co.za



Shoprite is South Africa's largest food retailer and has about 34% market share of the food retailing market, catering to the broad middle to lower-end of the consumer market with a focus on private label or branded products for their more price-conscious consumers. Store brands are Shoprite Supermarkets, Checkers Supermarkets, Checkers Hypers and Usave (Africa's only domestic food discount chain). The good performance of Shoprite has also been enhanced by its continuous investment in setting up distribution centers nationwide which have helped Shoprite reduce operational costs such as transport.

South Africa accounts for over 90% of total sales, but Shoprite also has a presence across large parts of Sub-Saharan Africa. The company has established operations in 16 markets such as Namibia, Botswana and Mozambique, and despite political turmoil there it has even hung on to its operations in Zimbabwe. Checkers Hypers have a special section devoted entirely to a variety of imported foods as well as kosher and halaal sections. Given the current profile of Shoprite shoppers, the company does not sell many imported items. If it does do so, it prefers to deal directly with foreign suppliers as this keeps costs down.

B. Pick n Pay Group - www.picknpay.co.za



Pick n Pay is South Africa's second largest supermarket retail chain with over 15% of the retail market share and over 500 stores in the South African food sector. The Retail Division manages Pick n Pay branded business, including food, in Hypermarkets, Supermarkets, Family Franchise Stores and Mini Market Franchises. Because of the government initiated Black Empowerment (B-BBEE) Programme, the franchise model has been an attractive way to expand their network.

The Group Enterprises Division operates the Group's other non-Pick n Pay branded group activities including Score Supermarkets, TM Supermarkets, Property franchises and Go Banking as well as finding new investment opportunities for the group. Pick n Pay caters to a wide range of incomes (LSM 4 to 10), and competes on price and 'the shopping experience'. It has special sections devoted to imported foods as well as kosher and halal sections. They are also committed to fair trade products.

Pick n Pay prefers to deal directly with foreign suppliers.

C. The Spar Group - www.spar.co.za



The Spar Group consists of two types of members: Spar retailers who are independent store owners and Spar Distribution Centers, which provide leadership and services to the Spar Retail members. Both members belong to the Spar Guild of Southern Africa that collectively pay to advertise and promote Spar. The Spar grocery chain emerged in the 1960s when a group of eight wholesalers were granted exclusive rights to the Spar name in South Africa to service 500 small retailers. The Spar Group Limited operates six distribution centers that supply goods and services to about 1400 Spar outlets in South Africa, Botswana, Namibia and Zimbabwe. Retail formats are Supermarkets, Supersparks, Spars, and Kwikspars. Build it and TOPS (Spar's liquor chain, the biggest in South Africa).

Stores in upmarket areas often have a wide range of imported products on their shelves. Spar also has a significant presence in less affluent, predominantly black areas, and is actively pursuing this market.

Spar purchases and distributes processed goods through six Spar distribution centres. A fleet of more than 120 refrigerated trucks are used to deliver cold produce to stores on a daily basis. Spar has a relatively small range of imported products (larger range over Christmas), preferring to source local products. When it does import, it prefers to deal directly with the supplier. Given the independent nature of Spar stores, store owners will also buy imported goods from local importers and distributors.

D. Woolworths Holdings Limited - www.woolworths.co.za



WOOLWORTHS
the difference

Woolworths is a South African-based retail group chain that operates locally and internationally through two subsidiaries. Woolworths (Pty) Ltd and Country Road Ltd. Woolworths operates in South Africa, Africa and the Middle East. Country Road operates in Australia, New Zealand and Singapore. Woolworths offers select ranges of clothing, cosmetics, toiletries, footwear, jewelry and food under its own brand name. Woolworth's stores are mainly in shopping malls or shopping centers but they also have food stand-alone stores in convenient suburban locations. Woolworths caters to the wealthiest South African consumers, with prices generally being higher than Shoprite Checkers and Pick n Pay.

Woolworths carries a relatively small number of branded products, instead promoting their own Woolworths branded private label products. With a strong focus on quality, Woolworths contracts farmers and producers to supply fresh produce and prepared convenience foods. Processed goods need to be packed and labeled under the Woolworths brand. It has vigorous supply criteria, handled by individual buyers at head office. Woolworths is also well-known for its quality organic foods. It is environmentally kind and looks for green products that can be part of its "Good Business Journey". It has a policy to keep imports to a minimum in order to reduce its carbon footprint, and has committed that 50% of its food products will be healthy food options by 2015.

Woolworths has subcontracted all its refrigerated transport to a company called Fast 'n Fresh which is part of the Imperial Group. Imports are handled by the individual Product Developers, who prefer to deal directly with foreign suppliers.

E. Walmart - <http://corporate.walmart.com>



Walmart is SA's only foreign-owned retailer which entered the South African market in May 2011, with its purchase of a 51% stake in local discount retailer Massmart. It is a managed portfolio of ten wholesalers and retail chains, each focused on high volume, low margin, low cost distribution of mainly branded consumer goods, through 228 outlets and one buying association serving 478 independent retailers and wholesalers, in 11 Sub-Saharan countries.

It is the third largest distributor of consumer goods in Africa, the leading wholesaler of general merchandise, home improvement equipment and supplies and the leading wholesaler of basic foods. It is estimated that about 90% of food products are sold through group warehouse club discounting stores such as Makro.

Another of its stores, Game, has started carrying a wider range of food products. The group food wholesaling outlets such as CBW, Jumbo and Shield are then sold on through the informal retail market such as spazas, street hawkers and kiosks. Although the consumer-facing side of the business has not yet seen any dramatic changes yet, Walmart International will undoubtedly be bringing some of its legendary expertise in areas such as systems, procurement and supply chain.

F. Fruit & Veg City - www.fruitandvegcity.co.za



Fruit & Veg City is the largest specialist retailer of fruits, vegetables and other fresh produce in South Africa. Its Food Lovers Markets are upmarket food emporiums which also offer a range of other specialist products, including some imported goods. Fruit & Veg City has over 100 stores nationwide, with an average of 15 new stores opening every year. About two thirds of their stores are franchises. They have also expanded outside of South Africa, mainly into Sub-Saharan Africa but also further north and even into Australia.

Fruit & Veg City prefers to deal with a local importer or agent rather than directly with foreign suppliers.

6. TRADE REGULATION, STANDARDS & REQUIREMENTS

South Africa has a world class, progressive legal framework. Legislations pertaining to commerce, labour and maritime issues is particularly well developed, while laws relating to competition policy, copyright, patents, trademarks and disputes confirm to international norms and conventions.

South Africa's liberal trade incentives are aimed at encouraging economic growth and development. As a founding member of the World Trade Organization (WTO), it is an active participant in the multilateral rules-based trading system. As a member of the World Trade Organization (www.wto.org), South Africa follows the Harmonized System (HS) of import classification, which means it uses the World Customs Organization's standardized system of code numbers for identifying products. South African food regulations are aligned with CODEX Alimentarius Commission guidelines and the Sanitary and Phytosanitary Agreement (SPS).

South Africa is also a member of the Southern African Customs Union (SACU), which allows free exchange of trade between South Africa and the other four countries – Botswana, Lesotho, Namibia and Swaziland. Member states form a single customs territory, and tariffs and other barriers are eliminated on the trade for products originating in these countries. A common external tariff applies to countries that are not members of SACU.

South Africa has a Free Trade agreement with the European Union (EU) and with the Southern African Development Community (SADC). The SARS website (www.sars.gov.za) carries comprehensive details on South Africa's trade agreements. More about trade with the EU can be found on the European Commission's South Africa profile page (http://ec.europa.eu/index_en.htm).

6.1 Tariffs

Customs and excise duties are administered by [SARS \(South African Revenue Service\)](#).

Besides the manual method, an electronic data entry and clearance system is also used for registered firms.

Import documents required for customs clearance:

1. *Copies of the Bill of Lading*
2. *A declaration of Origin Form DA59.*
3. *Bill of Entry (DA500)*
4. *Four copies and one original of Commercial Invoice*
5. *One copy of the insurance certificate for sea freight*
6. *Three copies of the Packing List.*

SARS offers a Single Administrative Document (SAD) to facilitate customs procedures. For restricted items, import licenses are necessary.

For more information, visit the [International Trade Administration Commission \(ITAC\)](#).

Customs threshold (from which tariffs are required):

- Import goods with a value up to 500 ZAR are exempt of duty and VAT.

Average Customs Duty (Excluding Agricultural Products)

- 5.8%. The WTO gives a sheet summarizing the [Customs tariffs of the country](#).

Products Having a Higher Customs Tariff

- Apparel industry, automobile industry and some agriculture products. South Africa is working towards lowering the custom tariff rate on these products.

Preferential Rates

- Average Most Favored Nations (MFN) rate: 8.22%.
- In addition, South Africa has free-trade agreements with a number of countries – also with the European Union! The country also belongs to the [Customs Union of COMESA](#).

Customs Classification

- South Africa uses a Harmonized System (HS).

Method of Calculation of Duties

- Ad Valorem on the FOB price in the country of export, in accordance with the GATT Customs Valuation Code.

Method of Payment of Customs Duties

- FNB, ABSA, Standard Bank and Nedbank are the banks through which payments can be made.
- For details, refer to: [South African Revenue Service](#).

For other, additional details, visit: [International Trade Administration Commission of South Africa](#)

© Export Enterprises SA, All Rights Reserved.
Last Updates: March 2015

6.2 Import Requirements & Documentation

There are certain restricted items which required Import licenses. A license (permit) is only valid in respect of the goods of the class and country specified. It is non-transferable and may only be used by the person to whom it was issued.

Import permits are valid only for the calendar year in which they are issued. Import permits required for specific categories of restricted goods are obtainable from the Director of Import and Export Control at the [Department of Trade and Industry](#).

6.3 Standards & Regulations

Imports are controlled and administered by the International Trade Administration Commission of South Africa (ITAC) and the South African Revenue Service (SARS).

The International Trade Commission of South Africa (ITAC) (www.itac.org.za) is a legislative body that aims to foster economic growth and development by administering international trade. Its core functions include customs tariff investigations, trade remedies as well as import and export control, including issuing of permits.

Apart from controlling and regulating revenues, SARS is a useful source of data with regard to import information. Their site (www.sars.gov.za) includes trade statistics, import data and the top ten trade commodities listed by value.

The South African food safety industry is regulated by three government departments: the Department of Health, the Department of Agriculture Forestry and Fisheries and the Department of Trade and Industry. Each department governs and controls specific areas of the food industry with specific Acts, Regulations and Guidelines.

Department of Health (DoH)

www.doh.gov.za

Tel No: 012 312 0945

The Directorate of Food Control (DFC) within the DoH is responsible for ensuring the safety of food in South Africa – www.doh.gov.za/department/dir_foodcontr.html

The main functions of food control are to:

- Administer food legislation. This includes developing and publicizing regulations for food safety, food labeling and related matters as well as developing technical guidelines
- Audit and support Port Health Services in the areas related to the control of imported foodstuffs, as well as audit and support Municipal Health Services
- Evaluate risk assessments related to agricultural chemicals and food produced through biotechnology for the departments of agriculture and forestry and fisheries
- Co-ordinate routine and specific food monitoring programmes and attend to food safety alerts
- Act as South Africa's National Contact Point for the joint FAO/WHO Codex Alimentarius Commission (CAC), International Food Safety Authorities Network (INFOSAN) and the European Union Rapid Alert System for Food and Feed (RASFF)
- Convene or serve on national and international bodies that deal with food control matters

Department of Agriculture, Forestry and Fisheries (DAFF)

www.daff.gov.za

Tel No: 012 319 6000

The main functions of the International Trade section in the DAFF are:

- to ensure that South Africa's agricultural trade interests are well represented at all times
- the analyses of international trade and marketing policies and their effect on the sector
- Imports and exports are regulated by DAFF. It ensures the correct and smooth operation of permits, quotas and schemes to facilitate trade in terms of trade agreements and other international commitments. Their website lists guidelines, legal frameworks and application forms for a number of animal and plant related imports.
- Relevant sub-directorates are:
 - Sub-directorate Agricultural Product Quality Assurance (SAPQA)
 - Directorate of Plant Health and Quality (PHQ)
 - Directorate of Veterinary Services, which administers the Animal Diseases Act, 1984

The Department of Trade and Industry (DTI)

www.thedti.gov.za

Tel No: 012 394 9500

The DTI aims to create a fair, competitive and efficient marketplace for domestic and foreign businesses as well as for consumers. Its website also has extensive statistics related to business, trade, investment and labour.

Two important agencies of the DTI that are involved in food industry regulations are the South African Bureau of Standards and the National Regulator for Compulsory Specifications.

South African Bureau of Standards (SABS)

www.sabs.co.za

The SABS, an agency of the DTI, is a leading business service provider to Food & Beverage organizations worldwide, offering a range of services for management system certification, product testing and certification, and standardization. It provides a range of standards covering the demands of the Food & Beverages industry, from quality management systems to test methods for specific materials or parts

Download the compulsory specifications at:

https://www.sabs.co.za/Business_Units/Standards_SA/CatalogueAndInfo/FreeDownloads/Standards.asp
[X](#)

Relevant departments are:

- Directorate of Regulatory Affairs and Consumer Protection
- Department of Food and Associated Industries (FAI)

National Regulator for Compulsory Specifications (NRCS)

www.nrccs.org.za

Tel No: 021 526 3400

The NRCS is a public entity responsible to the Minister of Trade and Industries for the administration of technical regulations including compulsory specifications based on standards that protect human health and safety, and the environment. It is mainly involved with quality control over fish and fish products, and canned and processed meat products. The NRCS also administers the Trade Metrology Act, ensuring that national and international trade is fair and based on reliable measurements. The Act and regulations set requirements for measurements of quantity for trade purposes.

6.3.1 Packaging & Labeling

The South African Bureau of Standards (SABS) oversees **labeling** and marking in the Food and Health category. A detailed listing of the relevant technical specifications by product is given at www.sabs.co.za. The SABS is responsible for issuing the Letter of Authorities (LOA's), the control documentation on the importation of several items where certain standards must be met. If an imported product does not bear a quality or standards specification marking, the importer will finally be liable for the quality of the product.

Regulations governing the labeling and advertising of foodstuffs are contained in the Foodstuffs, Cosmetics and Disinfectants Act of 1972: Regulations Relating to Labelling and Advertising of Foodstuffs:

1. <http://www.doh.gov.za/docs/legislation/reg0146.pdf>
2. <http://www.doh.gov.za/docs/legislation/Guidelinesrelatingadvertisingoffoodstuffs.pdf>

6.4 Regulations regarding the F&B industry

The main legislation is The Foodstuff, Cosmetics and Disinfectants Act (FDCA) 54 of 1972, updated to Government Gazette 32012 dated 20 March 2009. This legislation controls the sale, manufacture, importation and exportation of food stuff, cosmetics and disinfectants. Food laws are updated every now and then, and published in the Government Gazette. It is incumbent on suppliers to keep abreast of amendments.

Rules and regulations for agronomy, animal products, processed products and vegetables can be found on: www.nda.agric.za.

Other regulations on processed fruit and vegetables can be found on www.doh.gov.za

SAAFoST is the Association of Food Scientists, Technologists and other Professionals serving the food and allied industries in South Africa. SAAFoST promotes education and professionalism as well as an appropriate legislative structure in the industry.

7. LOGISTICS & PAYMENT METHODS

7.1 Logistics

Flanders-based exporters traveling to South Africa can do so on numerous flights into South Africa's main international airports of Johannesburg and Cape Town. There are, however, no direct flights between Belgium and South Africa.

1. O.R. TAMBO - <http://www.acsa.co.za/home.asp?pid=228>
2. Cape Town International Airport - <http://www.acsa.co.za/home.asp?pid=229>

In terms of local transportation of goods, South Africa has a modern and well-developed transport infrastructure. The air and rail networks are the largest on the continent, and the roads in good condition. The country's ports provide a natural stopover for shipping to and from Europe, the Americas, Asia, Australasia and both coasts of Africa.

Ports and shipping



Approximately 96% of the country's foreign trade is conveyed by sea, and the eight commercial ports are the conduits for trade between South Africa and its southern African partners as well as hubs for traffic to and from Europe, Asia, the Americas and the east and west coasts of Africa. Durban is Africa's busiest port and the largest container facility in southern Africa, while Richard's Bay is the world's largest bulk coal terminal.

Roads



South Africa's total road network is about 747 000km, the longest network of roads of any African country. The drive from Musina on South Africa's northern border to Cape Town in the south is a 2 000km journey on well-maintained roads.

Railways



South Africa has an extensive rail network – the 14th longest in the world – connecting with networks in the sub-Saharan region. The country's rail infrastructure, which connects the ports with the rest of South Africa, represents about 80% of Africa's total.

Airports and airlines



South Africa's 10 airports handle more than 98% of the country's commercial traffic, with 200 000 aircraft landings and 10-million departing passengers annually.

South African Airways (SAA) is by far the largest air carrier in Africa, with connections to more than 28 cities across the continent. As a Star Alliance member, SAA also offers its customers 1 356 destinations in 193 countries and 21 500 flights daily.

7.2 Payment Methods

The most commonly used documentary credits are: irrevocable credits and confirmed irrevocable credits. If the exporter is concerned about the reliability of the importer only, he/she should use an irrevocable LC. If the exporter is also concerned about the standing of the issuing bank and/or the standing of the importer's country, he/she should use a confirmed irrevocable credit.

All credits issued are subject to exchange control regulations and when necessary, a South African import permit. South African exchange control regulations stipulate that payment of imports may be effected only by authorized banks against submission by their customers of documentary proof that the goods were imported into South Africa as evidenced by invoices and shipping documents stamped by South African customs. An exception is when South African banks have opened documentary import letters of credit in favor of foreign exporters. Payment can be made via transmission or airmail depending on the reimbursement clauses. The advising bank should, if possible, be the same bank as the exporter's bank.

Quotations and Terms of Payment Exporters should offer quotations based on the f.o.b. value at the port of export. As a general rule, such quotations should also include a statement of the actual charges for freight and insurance plus any additional charges to the port of delivery. Quotations are usually in terms of the currency of the country of origin. Payment between 80 and 120 days after acceptance is most common, but terms may vary between 30 and 180 days.

For larger orders of capital equipment, longer terms are often required. It is advisable to ship on a letter of credit, sight letter of credit, or 30-day letter of credit basis that the importer can use as a negotiating instrument to expedite the payment transfer. Payments for shipments made on an open account basis will have a lower priority for foreign exchange, possibly delaying payment to the exporter. The payment transfer can be affected within 24 to 48 hours after the importer presents a valid import permit and proper documents to his or her bank.

Foreign Exchange for Import Purchases Generally, the South African Reserve Bank's Exchange Control Department does not provide foreign exchange in payment of imports prior to the date of shipment or dispatch of goods to South Africa. When South African authorized dealers of foreign exchange open documentary import letters of credit in favor of foreign exporters, payment is effected against presentation by the exporters of invoices and shipping documents to the foreign negotiating bank prior to the arrival of goods in South Africa. Foreign currency payments for imports may only be made against the following documents:

- *Received for shipment bills of lading*
- *On-board bills of lading*
- *Air waybills of lading*
- *Parcel post receipts*
- *Carriers' receipts or railroad bills of lading giving title to the goods and evidencing dispatch to a port for shipment to South Africa*
- *Arrival notifications issued by Ellerman and Bucknall (Pty) Limited, Safmarine Limited, and the Transatlantic Shipping Agency (Pty) Limited, and Nedloyd Agency Cies SA (Pty) Limited.*

8. DOING BUSINESS IN SOUTH AFRICA



Ease of Doing Business Index (<http://www.doingbusiness.org/data/exploreeconomies/south-africa>)

| | | | | |
|----------------------------------|---------------------|--|--|-------------------------------|
| REGION | Sub-Saharan Africa | DOING BUSINESS 2015 RANK | DOING BUSINESS 2014 RANK*** | CHANGE IN RANK |
| INCOME CATEGORY | Upper middle income | 43 | 37 | ↓ -6 |
| POPULATION | 52,981,991 | DOING BUSINESS 2015 DTF** (% POINTS) | DOING BUSINESS 2014 DTF** (% POINTS) | CHANGE IN DTF** (% POINTS) |
| GNI PER CAPITA (US\$) | 7,190 | 71.08 | 71.60 | ↓ -0.52 |
| CITY COVERED | Johannesburg | | | |

Often, new exporters will feel a bit overwhelmed about trading with South Africa. Much consideration and planning will need to go into deciding on the company type, delivery of products and services, marketing strategies, and local conditions. Before making these big decisions, exporters and investors should spend some time thinking about business objectives.

South Africa was ranked as the eighteenth most attractive destination for foreign direct investment, by global strategic management consulting firm AT Kearney and ranked in the top four countries in terms of the transparency surrounding its budgets, according to the Open Budget Index. In comparison to other BRIC nations (Brazil, Russia, India, China), South Africa is spending two to three times more on education - 7.18 per cent of its GDP. Unit labour costs in South Africa are also significantly lower than those of many other emerging markets.



The Global Agreement on Tariffs and Trade that was signed by South Africa in 1994, and becoming a member of the World Trade Organization, have helped the country become a player in the global trading system.

Trade reforms, such as tariff reductions and a rationalisation programme, have been introduced. Market access has been enhanced through free trade agreements with the European Union and the Southern African Development Community (SADC).

9. OPPORTUNITIES & CHALLENGES

9.1 OPPORTUNITIES

Opportunities for Flemish exporters lie all along the food production chain, from machinery and equipment to raw products and packaged processed products ready for retail.

The immediate opportunity lies with unprocessed or raw products for further processing and packing. However, for the future, it would be important to build relationships with importers and retailers of value-added products as this is where the real long-term opportunity lies. Buyers rely on international trade shows and industry journals to identify new suppliers. The most important South African trade show is has annual food and beverage fair called Africa's Big Seven. The fair is attended by key industry players, and a presence either through a national pavilion or as an individual company would be useful.

In terms of journals, a subscription to South Africa's journal for the food and beverage industry, the Food and Beverage Reporter (www.fbreporter.com) would be a useful way of keeping up with trends and developments in the South African food sector. Ultimately, a face-to-face meeting with buyers is the best way to do business in South Africa. Exporters who are serious about accessing the market need to meet potential customers. A slick company presentation along with good samples, an accurate price list and notes on delivery times and capacities are essential marketing tools for such meetings.

At an overall level, South Africa represents an attractive opportunity for Flemish exporters:

- *Established agro-processing industry*
- *Established hotel/restaurant/catering industry*
- *South Africans are becoming more sophisticated in their eating patterns, and are willing to try new products*
- *The food and beverages industry is growing and needs imported food and beverage products*
- *South African processors, importers and retailers seek suppliers who can offer reliable and quality products at a competitive price*
- *Importers and distributors have a long and successful track record, and can help develop brand loyalty*
- *English is the language used in business*
- *South Africa is a gateway into Sub-Saharan Africa and the rest of the continent*

Sectors that currently have good sales, and/or indicate growth opportunities include:

- *Raw material, particularly for fruit juices blends*
- *Soft drinks: low-cost carbonates, energy drinks*
- *Fruit juices: 'healthy', natural and/or unusual/exotic ingredients, organic*
- *Beer, particularly craft beers with a story*
- *Wine and spirits*
- *Ready-made and quick meals in small and medium sized portions*
- *Unique products in the snack market*
- *Products that offer health and indulgence: biscuits, snacks, confectionery, chocolate*
- *Dairy: beverages, cheese*
- *New functional foods: dairy, soft drinks*
- *Organic products*
- *Gluten free foods*

The meat and chicken markets appear unpromising because of the relative perceived strength of the South African industry, the large processed sector and the supply of these through southern hemisphere sources close to South Africa.

9.2 CHALLENGES

At an overall level, there are some challenges to entering the South African market:

- *South Africa is a strong food producer*
- *Competition is stiff from local and other international producers and suppliers*
- *The volumes required by importers are large and may exclude some exporters from the market*
- *Processors already have a long-standing relationship with other European suppliers*
- *There is limited knowledge of Flemish brands, necessitating a high marketing and promotion spend*
- *Consumers may need to be educated in preparing and eating products that are new to them*
- *There is a high proportion of low income earners who will not be able to afford imported products*
- *Industrial action occurs and can disrupt normal business activity*

10.ADDITIONAL INFO & CONTACT DETAILS

Where to turn for more information?

Please forward your specific requests for more detailed information on importers, distributors, agents, retailers & buyers to the FIT-office located nearest to you.

Antwerpen

Lange Lozanastraat 223, bus 3
2018 Antwerpen

[Routebeschrijving](#)

T: 03 260 87 22

E: antwerpen@fitagency.be

Limburg

Corda Research Campus Hasselt (Corda 4)
Kempische Steenweg 305, bus 201
3500 Hasselt

[Routebeschrijving](#)

T: 011 29 20 80

E: limburg@fitagency.be

Oost-Vlaanderen

VAC Gent
Koningin Maria-Hendrikaplein 70, bus 20
9000 Gent

[Routebeschrijving](#)

T: 09 276 19 30

E: oostvlaanderen@fitagency.be

Vlaams-Brabant

VAC Leuven
Diestsepoort 6, bus 21
3000 Leuven

[Routebeschrijving](#)

T: 016 66 56 00

E: vlaamsbrabant@fitagency.be

West-Vlaanderen

VAC Brugge
Koning Albert I-laan 1-2, bus 21
8000 Brugge

[Routebeschrijving](#)

T: 050 24 74 10

E: westvlaanderen@fitagency.be