



KEEPING IT FRESH



News from the FPEF – 08 May 2024

Dear FPEF Members,

With the citrus export season gaining momentum, we are glad that some new markets have opened for our citrus, for example **Vietnam** who now accept **oranges** from South Africa. Another recent gain was the granting of access for **avocados to India and Japan**. Other applications which will hopefully be concluded soon are for **stone fruit to be exported to China and apples to China**.

Agbiz’s Chief Economist, **Wandile Sihlobo**, recently pointed out the importance of our industry for the South African economy by writing the following:

*Agricultural exports are usually at their lowest in the fourth quarter of the year, mainly due to seasonal patterns. Last year was no exception, yet the sector still performed better than South Africa’s total trade in goods and remains a net earner of foreign exchange. This is in spite of difficult global business conditions such as high inflation, supply chain disruptions, regulatory changes, and the outbreak of Avian Influenza. **Sub-sectors that excelled in this fourth quarter were horticulture (blueberries, grapes, nuts, citrus and pome fruit), beverages (wine of grapes, waters, and ciders) and cereals.***

Wandile mentions the supply chain disruptions and therefore it is important to briefly share with you again what we are doing to address this.

LOGISTICS & OPERATIONS

Logistics

The FPEF’s constant engagement with the TPT (Transnet Port Terminals) in various forums and committees, coupled with the changes in the Transnet management, is starting to yield results. The success of the War Room in the port of Cape Town led to similar War Rooms being established for the ports of Coega/Port Elizabeth and Durban.



Market Access
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Ports

We joined the CGA yesterday where **Jan-Louis Spoelstra** (Flying Swans' Senior Project Manager) gave a detailed background on the history of rail in South Africa and context to the decision that shaped railway development. The public consultations are ongoing and pertinent questions have been asked as to how the cost calculations are done, as a rail operator remarked that the proposed cost structure creates a high barrier to entry. The presentation will be shared in due course.

Transnet Freight Rail started the preparation work for the Citrus season in February and will deploy six rails sets, two to **City Deep** and four to **Bela-Bela**. The deployment will move a minimum of six loads per week depending on how fast the wagons turn. Efficiencies via City Deep will be investigated so that exporters can make an informed decision and possibly alleviate pressure on truck capacity.



FPEF was again approached this year by students working on their thesis, one focus area is quantifying the additional cost to industry because of port inefficiency during the deciduous season, across all ports.

A frequently asked question is the effectiveness of the individual terminal plans and of late there have been examples of procurement efforts not materializing on time or extended delays between delivery and deploying the equipment. After years of under-investment, the road to recovery will take time, however we are seeing a few positive changes but need to see the pace increase.

Bilateral and Phytosanitary Protocol Markets: Japan, South Korea and Vietnam

South Korea

Update on the DALRRD's request for the CGA to Administer South Korean Laboratory Sample Test Results

CGA will administer the delegation of the **laboratory sample testing process for the South Korean programme** this season. This will be administered voluntarily; nevertheless, allow for the opportunity to meticulously and expeditiously supervise the process to improve turnaround time of test results. The CGA evaluated numerous airfreight options and partnered with one courier agency at a reasonable and competitive rate. Should you opt to handle the procedure manually, we advise selecting overnight airfreight as it will guarantee that the laboratory receives the samples in a minimal amount of time.

Japan

This serves only as a reminder that DALRRD and PPECB have approved facilities in Cape Town, Gqeberha and Durban and exporters can utilise any of these facilities. The MAFF (Japan, Ministry of Agriculture Forestry and Fisheries) inspector arrived on 18 March and there will also be dual audits conducted for Citrus and Avocado exports. In the interim DALRRD continues with preclearance inspections for exports to Japan.

Vietnam

With the market open for South African orange exports, exporters are still required to obtain an import permit from their importing partner. The **Vietnam Plant Protection Department (PPD) will start issuing permits from 1 May 2024**. The protocol requires an in-transit cold treatment for False Codling Moth (FCM) and fruit flies. Additionally, every carton must have a sticker with the words in English **“For Vietnam”** affixed to it. A one pager explaining all the requirements and import conditions was circulated in previous communication.

TRANSFORMATION



Alumni from the FPEF graduate placement programme arranged a hike up Table Mountain on Saturday 27 April to provide an opportunity to network, share experiences and enjoy nature together. It was a lovely day with great company, followed by a few days of stiff legs.



MEMBERSHIP

FPEF membership certificates were sent via courier to members who did not attend the FPEF Annual General Meeting (AGM) in November, where certificates were handed out. If you have not received your certificate, please notify Marletta Kellerman – marletta@fpef.co.za – in order for her to follow up with the courier.

We would like to call upon you to please inform us when any **managerial/operational, change of address, change of contact person as well as shareholder changes** happen within your company so that we can amend our records accordingly. Please send such information to claudia@fpef.co.za.



Tonie Fuchs

Charl du Bois

A significant recent change is the announcement that **Tonie Fuchs** resigned as Managing Director of the **Capespan Group** and that **Charl du Bois**, who is currently the Commercial Executive of the fruit division, will take over Tonie's role on **1 August**. We wish them both all of the best in their new roles.

Best regards
Anton Kruger



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