



KEEPING IT FRESH



News from the FPEF – 17 May 2023

Dear FPEF Members,

Our market access strategy is based on a **GRO** plan: **G**ain, **R**etain, **O**ptimise.

One of the factors in implementing this strategy is the geopolitical situation in these markets – and at this stage, this factor has suddenly grown in importance with the USA’s latest stance on the South Africa/Russia relationship. The continued inclusion in the AGOA trade agreement which grants duty-free access for South African fruit to the USA might be in jeopardy when the agreement comes up for review next year. One can only speculate about the potential impact (“domino effect”) of this for some of our other markets.

In 2014 we started to visit the identified growth markets (primarily in the East) to try and accelerate access to those markets. As an industry association, we are not in a legal position to enter into agreements with the governments of other countries. That must be done by the South African government and thus the participation of government officials (especially from DALRRD) is crucial. Unfortunately, it did not happen often, but where it did, it led to approval of our application – the access for citrus to the Philippines is a recent example. The most recent disappointment happened on Friday (12 May) when we were ready to board flights to Korea and Japan, when DALRRD cancelled the trips and meetings with their counterparts. We took the matter up with Minister Thoko Didiza.

In this edition, biographical information about our Board member, **Marietjie Franzsen** is being shared.

MARKETING AND PROMOTIONS



SA Embassy: Berlin

South African National Day Celebrations in Germany

The **South African Embassy in Berlin** and the **South African Consulate-General in Munich** both celebrated South African National Day by hosting National Day events. They had a lovely display of South African fruit, and the guests were treated with fruit in their gift bags. We wish to thank **Capespan** for their generous donation of fruit for both events.



- Market Access
- Government Engagement
- Export process assistance
- Provide Information
- Transformation
- Research, Development and Innovation



SA Consulate-General: Munich

TRANSFORMATION

Draft Targets for the New Employment Equity Bill

The Minister published the draft sectoral targets for 18 sectors for the new employment equity bill on the 12th of May. A period of 30 days has been provided for public comment. The targets apply to all companies with more than 50 employees (designated employers) and the bill makes provision for fines of up to 10% of turnover for non-compliance. The 5-year sector targets are split into four occupation groups, gender and race and the ultimate goal is for employment to be proportional to the population distribution within the economically active population regionally or nationally. In addition, there is a 5-year goal for disabled persons to make up 2% of the total workforce. The overall 5-year target proposed for the agriculture sector for black employees (which includes Africans, Coloureds and Indians) is as follows:

- Top Management 35%
- Senior Management 40%
- Professionally Qualified 60%
- Technically skilled 78%

During the drafting of the bill in 2021, Agbiz (of which the FPEF is a member), made a submission to the Minister in which they expressed concern that the 5-year targets initially proposed (Top management 50%, Senior management 60%, Professionally qualified 75% and Technically skilled 88%) were not achievable. Based on sectoral research, Agbiz proposed the following targets over a 10-year period, which they felt are ambitious but achievable; Top management 25%, Senior management 20%, Professionally qualified 25% and Technically skilled 40%. Agbiz noted that the agricultural and agribusiness sectors are committed to transformation and that whilst companies are actively planning and trying to change their employment trends, talent recruitment and retention is a real challenge. In terms of retention, turnover for the two top occupation groups is very low as companies pointed out that there are no pending retrenchments, retirements, contracts expiring in the next five or so years. Agbiz further noted that whilst they acknowledge that agriculture can and should do more, we are still working off a low base.

We ask FPEF member companies to please send comment on the draft sectoral targets to the FPEF transformation manager by the 2nd of June (johannes@fpef.co.za). These will be collated and sent to the Minister with company names removed. Your comment can include reasons why the proposed 5-year targets are not achievable for your company, the potential impact of the draft targets on your business and you can include alternative targets you believe are achievable.

FPEF had the opportunity to meet with representation of the Department of Forestry, Fisheries and the Environment to provide input towards the development of the Oceans Economic Master plan, specifically the Marine Transport and manufacturing section of which the delivery Unit Head is the Department of Transport. The plan includes other areas such as Offshore oil and gas, Aquaculture, Marine Protection & Ocean Governance, Small Harbours Development and Coastal & Marine Tourism. Workgroups comprising of Industry, Organized Labour, Government (including state agencies) and community Constituents. The workgroup focusing on Marine Transport will be headed by the Department of Transport.

We gave context on various topics and shared the following top priorities as part of our extensive list:

1. Rail capacity in the port – 3 more inland facilities are in the planning/exploration phase, and it is critical that the port can receive the number of trains planned. There is not currently oversight of all the individual plans and a consolidated view of developments and plans are needed to align with capacity.
2. Merchant haulage reefer damage in the port and the grey area around merchant haulage reefer claims.
3. A system covering all business units is proposed which ties in with Industry requests to consider rail sidings as part of port visibility and inland THC or one THC.
4. Port equipment to cover the CTCT increase of capacity from 1 million to 1.4 million TEU, sufficient replacement planning, maintenance contracts and anti-sway technology.

Cable theft on the NATCOR line continues for the second week and occurs in different locations disrupting cargo movement between Johannesburg and Durban. The line covers a vast geographical area and Lowland, Escort and Pietermaritzburg most recently experienced theft. There are currently 36 wagons delayed in transit and Transnet freight rail stopped loading trains so as not to congest the line further. At the same time imports are building up in the port with a potential impact on vessel operations. The matter has been escalated to the Government and plans will be communicated.

Minister Mireille Wenger, Provincial Minister of Finance and Economic Opportunities in the Western Cape hosted the Performance Dashboard Indicator developed in conjuncture with SAAFF. The dashboard gives an overview of traffic in and around the port as well as key measures and port statistics. There is a need in industry for visibility to aid the planning process and reduce wasted cost. Representatives gave input and recommendations on how to take the project forward.

Pome & Stone fruit – PhytClean V2 Special Markets Registration 2023/2024 Webinar

As confirmed at the Annual Deciduous Coordinating meeting last week, the eCert Team would like to invite you to the **HORTGRO Pome & Stone Special Markets Registration 2023/2024 Webinar** that provides a refresher for registration on the PhytClean V2 platform.

Date: 18 May 2023

Time: 9 am - 11 am

Venue: Online via Microsoft Teams (MS Teams)

Please consult the e-cert support team for a link to the webinar

Market Feedback

Europe

The costs of the less expensive **navels** available on the market increased. Similarly to the available **Valencias**, the quality of navels has remained constant.

Grapefruit from the United States, Morocco, and Spain continue to be available on the market, but South African volume is gaining prominence. In the beginning of the week the prices for South Africa grapefruit were adjusted slightly downwards but were relatively unchanged for the other supplying countries. The quality of **Eureka lemons** remained good compared to week 18, although the price points were on the lower end of the market, compared to the previous two weeks.

Royal Gala originating from New Zealand, South Africa and Chile holds the majority market share in Europe. During most of the week, the wholesale sector was largely stable.

China

At the moment, Egypt has almost 70 percent of the orange market, followed by the United States and Spain. Valencias continue to be the most plentiful variety, with moderate price increases witnessed in the beginning of the week.

USA

As local orange products dominate the market, imports are trending normally. Imported oranges will not become a significant factor for at least eight to ten weeks. At the entrance price level there is some optimism, but wholesale pricing is below 2022 and approaching 2021 levels.

BOARD MEMBER PROFILE: MARIETJIE FRANZSEN

“My appreciation for agriculture started from an early age as I was raised on a Table Grape Farm in the Hex River Valley. To this day, I still love the outdoors and all it brings.

During my youth, I completed high school at Bloemhof Girls High in Stellenbosch and graduated from the University of Stellenbosch with a BSc in Agriculture. Still being a proud Matie, I now reside in Stellenbosch with my husband, André, and our three young children.

I've been working in agriculture for over 15 years, focusing mainly on table grape production, sales and exports. I'm particularly interested in exploring new markets in the Far East and expanding our South African footprint as a whole. I'm a hardworking and detail-oriented individual who loves to organize everything to perfection.



As someone passionate about agriculture, I take great pride in my work and love the challenges that come with it. I'm dedicated to expanding sales in our markets and making a positive impact on growers. Together with The Grape Company, I also feel a strong responsibility in looking after the future growers we have in the industry. With my expertise in table grape farming and my determination to succeed, I'm committed to achieving my goals and growing our industry for the better.



Over the past years, I have gained experience in most sectors specifically related to the management of sales of table grapes. In my current role at The Grape Company, I oversee all sales and development of new business into the Far East Markets and assist with the implementation of our business strategy going forward. I take great pride in the sales we have grown in these markets. With expertise in many different aspects related to production, sales, and exports of table grapes, and my unwavering determination to succeed, I'm committed to achieving my goals and growing our industry for the better.

Outside of work, I enjoy spending time with my family and friends whom I am fortunate to have and love. My interests include traveling and exploring new places, as well as my deep love for wildlife and vacations centered around it. Living in Stellenbosch, I also enjoy good wines and playing 18 holes on a golf course. As a Christian, I am grateful for all the blessings, opportunities, love and protection I receive from God every day.

I look forward to growing exports and making a difference in the future."

Best regards
Anton Kruger

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