

# Newsletter

Sept/Oct 2018

## Building fruit partnerships

Senzeni Zokwana, Minister of the Department of Agriculture, Forestry and Fisheries has called for continued and enhanced cooperation between South Africa and SADC Ministers responsible Agriculture, through the sharing of expertise and infrastructure for fruit production and export in the region.

"Our fruit industry values its relationship with the SADC region as its value chain extends to growers in Namibia, Swaziland, Mozambique and Zimbabwe. Fruit SA re-affirm its commitment to regional agriculture trade and development cooperation that is critical to enhance the global competitiveness of the region's fruit industry," Zokwana said.



Senzeni Zokwana

The Minister highlighted that international markets for fresh fruit are growing and offer various opportunities for producers and countries in the region. >

## in this Issue



Building fruit partnerships

New dawn for farmworkers

New CEO for fruit chamber

Government's land plans

Commitment drives fruit family

Championing transformation

Dutch fruit pride and growth

Improving Africa's nutrition

e-Certification fruit project

Tackling forced labour

CEO's note

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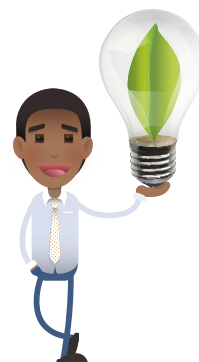
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## DID YOU know?

South Africa has lifted the decade-long ban on the importation of avocado fruits from Kenya. Avocados account for more than 9% of Kenya's agricultural exports.



## Fruit in Africa 2019

"We live in an increasingly competitive global agriculture trade environment. In addition to that there are tariffs and non-tariffs barriers that pop-up each day restricting access to certain markets. Government's agility is important in dealing with these barriers. Regional collaborations in sanitary and phytosanitary measures need to be enhanced in order to take these opportunities," Zokwana emphasized.

The Minister also invited his regional counterparts to attend the Fruit SA 2019 Exhibition on Fruit in Africa which will have workshops on fruit production, and delve into markets as well the management of the fruit value chain.

"We hope to see growers and exporters from the SADC region participating in this event so that they can meet with potential importers and producers and gain knowledge about the needs of the international markets," Zokwana said at a Fruit SA reception event.

## New dawn for farmworkers

A group of 30 farmworkers at the South African table grape farm Nieuwe Sion in Simondium, Paarl, became the proud owners of a purpose built R30 million housing development.

The owners of the farm, Dr David and his wife Elaine Potter, who lives in England, resolved to create an environment that would leave their workers better off than when they joined the farm. They joined the Sustainability Initiative of South Africa (SIZA) and then took their vision further in May 2015, by launching the development aimed at giving their workers access to the property market.

Nieuwe Sion is a 70 ha table grape, nectarine and soft citrus farm in Simondium in the Western Cape. The new complex has been named Lumier to signify a new dawn in the lives of the workers.

### High-quality development

Dr Potter said they are proud to be able to "gift" this development to the farm workers who "must use it as a space to support and uplift each other. The complex was designed to meet the wishes of all, which is to keep the community of workers together."



"Their ultimate goal is to help workers and their families, especially their children, become less dependent on the farm for their financial wellbeing, by giving them access to the mainstream economy," Fielies du Toit, the farm's manager explained.

Willem Bestbier, CEO of SATI, congratulated the Potter's, workers and management of the farm and said the high-quality development is testament to what can be done when industry and government work together to the benefit of people.



Dr David and Elaine Potter with Paul Morris (right)

## New CEO for fruit chamber

Thembi Xaba, newly appointed CEO of the Deciduous Fruit Development Chamber (DFDC) is a golfer, who is still learning scuba-diving and speaks eight languages. She is currently studying towards her Ph.D. in Business Administration with the University of Stellenbosch Business School.





Xaba was recently appointed to lead the DFDC in Stellenbosch. Her goal in this new position is in line with the industry sector vision. The vision for the development chamber 'is to achieve a transformed fruit industry'. And the high level strategic intent is "to double the deciduous fruit industry by 2050, and to transform the industry throughout the value chain."



Thembi Xaba

### **Uplifting of young girls**

According to Xaba in order to create market resilience, the industry needs to expand to other provinces. "This Western Cape drought has shown us what happens if you put all your eggs in one basket. I believe it is important to take deciduous fruit to other provinces, such as Mpumalanga, Limpopo and Free State where there is expansion potential," she says.

As one of four kids, Xaba was raised on the East of Johannesburg, Kwa-Thema, Springs. She has a special soft spot for the upliftment of young girls. "If we want to raise our nation we need to raise and mentor our girls. We have to encourage them to stay in school, stay focussed, work hard, achieve their goals and leverage opportunities for them," Xaba says.

### **Government's land plans**

The Inter-Ministerial Committee on Land Reform resolved that the approach to land reform must be based on three elements namely, increased security of tenure, land restitution and land redistribution.

According to the Presidency, land reform would be pursued without undermining the productive use of land that is already restituted and redistributed, thereby ensuring that this process does not negatively affect economic growth and agricultural production. The inaugural meeting of the Committee was recently held at the Union Buildings and chaired by Deputy President David Mabuza.

### **Progress and limitations**

President Cyril Ramaphosa established the Committee which comprises of the Ministers of Agriculture, Forestry and Fisheries; Cooperative Governance and Traditional Affairs; Environmental Affairs; Human Settlements; Justice and Correctional Services; Finance; Rural Development and Land Reform; Public Works; Public Enterprises; Water and Sanitation and the Minister in the Presidency for Planning, Monitoring and Evaluation.

The Committee is expected to provide political oversight and oversee the implementation of Cabinet decisions on land reform and anti-poverty interventions. It will also coordinate, integrate and ensure accelerated implementation of the recommendations of the Joint Committee on Constitutional Review as well as the High Level Panel on Land Reform.

The Committee, noted that the pace of land reform under the current legislative framework has been slow. The Committee will be supported by a panel of experts, in its mandate, to be appointed by the President.





## Commitment drives fruit family

Richard Myburgh started out as a fruit hawker. His business was small, but grew quickly. Soon he outgrew the packhouse that he was renting and it was time for him to buy his own farm.

Despite drought challenges, commitment and a strong future vision are just two of the impressive traits that put the Myburgh clan from Cortina Farm a cut above the rest.

On a 54 hectare farming initiative at Vyeboom, near Villiersdorp, established by husband and wife team, Richard and Yvette, in 2000 - the three Myburgh's took their enthusiasm to the next level.



A day on the Cortina farm

### Jobs Fund assistance

With an additional 40 hectare of apple and pear orchards on the farm, Richard and Yvette have also developed a sizable fruit packing, marketing and transport business on the property. And the by now large Cortina trucks transporting export fruit to the Cape Town harbour is a well-known sight in the area.

The family has established themselves as strong industry contributors, with dad Richard winning the Deciduous Fruit Industry's New Entrant of the year in 2014, and young Ricard, who joined the family business in 2013, won the Toyota SA New Harvester award in 2017.

Through the Jobs Fund they received 2.6 hectare of new Golden Delicious and Royal Beaut apple trees in 2016. The support included soil analysis and preparation, poles and trellising and irrigation. During 2017, they received a tractor, fencing, moisture probes and a mobile toilet. In 2019, they expect to receive tillage and disc plough soil preparation implements.

## Championing transformation

The countrywide public hearings in relation to Land Expropriation without Compensation (EWC) are scheduled to be concluded by the end of August. Fruit SA also made its input on the review process of section 25 of the Constitution regarding land expropriation without compensation.

According to Fruit SA, the organisation recognises and strongly supports the need to fast track sustainable land and agrarian reform and transformation. The fruit industry has had numerous successes in championing transformation initiatives within the industry.

In conjunction with the Department of Agriculture Forestry and Fisheries (DAFF), Fruit SA convenes the Fruit Industry Value Chain Round Table (FIVCRT) where issues of transformation amongst others take priority. Fruit SA highlights that the sustained economic use of land is imperative to ensuring growth in investment and continued growth of the sector.

### Citrus Growers' Association



A citrus producer in Limpopo

According to the Citrus Growers' Association (CGA), the organisation sent out a survey to all growers to get some idea of their reaction to the public hearings on land expropriation. Forty-one growers responded.

"Although this is a small sample - the responses are worth noting. The growers who responded were from Limpopo and Eastern Cape (30%), Western Cape (24%), KwaZulu-Natal (10%) and Mpumalanga (5%). They had citrus orchards of >200 Ha (35%), 100 to 200 ha and 60-100 ha (20% each) and between 0 and 30 ha (20%).





Roughly half the respondents felt that the Constitution would be changed. Asked what they would do if the Constitution was changed to allow Expropriation Without Compensation, just over half responded that they would continue as before, as productive growers they felt the change would have no impact. Just over 20% responded that they would continue to farm, but reduce investment," CGA indicated.

## Dutch fruit pride and growth

The Netherlands is encouraging its citizens to eat more fruit and vegetables. The country imports its fruit and vegetables mainly from Spain (16%), South Africa (12%) and Chile (9%), and exports fresh fruit and vegetables to an impressive 150 countries.

On a recent trip to The Netherlands, Malixole Gwatyu, visited the first and largest mango and avocado ripener in Europe. The facility, Nature's Pride, imports some its mangoes and avocados from South Africa.

"Nature's Pride supplies over 500 unique fruit and vegetables to countries, which includes ready-to-eat to exotic fruits. It was quite an experience to visit the factory where our South African fruit are been ripen within a week for the market. What I also learned was that the facility is also now - for the first time, this year - going to test the ripening of plums from South Africa," Gwatyu says.

### Reducing meat consumption

To ensure growing demand on products, the company works with around 300 suppliers in 70 different countries. The fast expanding business, was founded in 2001 by an American.

According Professor Atze van der Goot for Sustainable Protein Technology at Wageningen University, technology is making a substantial contribution to sustainable eating patterns because meat has a negative impact on the environment.



Journalists inside the ripener facility

"We have succeeded in introducing fibrous structures into plant proteins using relatively simple technology, enabling us to make large pieces of plant meat with a texture that is very like real meat," he said in the Wageningen World.

*(Gwatyu is Fruit SA's Communication Specialist and his visit to The Netherlands was sponsored by The Dutch Embassy in South Africa.)*

## Improving Africa's nutrition

Not a single African country is expected to reach the United Nations target of ending childhood malnutrition by 2030. From farm to fork, nutrient gaps in diets within low and middle-income markets constitute a largely untapped market worth USD120 billion.

The Global Alliance for Improved Nutrition (GAIN) - an international organisation founded by the Bill and Melinda Gates Foundation and driven by the mission of a world without malnutrition - is hosting the first-ever Nutrition Africa Investor Forum (NAIF) in Nairobi, Kenya, on October 16-17, 2018.



The aim is to invite and engage private sector investors to play a key role in improving nutrition across Africa. The event is hosted in partnership with Royal DSM, a purpose-led global science-based company in nutrition, health and sustainable living recognized for its global fight against malnutrition.



The Nutrition Africa Investor Forum will highlight business opportunities in a largely underdeveloped market. Malnutrition indicators remain “persistently high” in 14 countries.

GAIN argues engaging the private sector is key in addressing this issue. Nutrition-sensitive capital investments along the entire food value chain are critical to drive better availability, access, affordability and finally, consumption of nutritious foods.

## e-Certification project for SA fruit export

In March 2018, Department of Agriculture, Forestry and Fisheries (DAFF) signed a Service Level Agreement (SLA) with Fruit SA to build online capabilities for DAFF to issue electronic certificates. The e-Certificates are a replacement for the paper phytosanitary certificates currently in use.

Since March Fruit SA have been building a foundation on which to build the e-Certification platform. This project is an extension of the PhytClean platform and concepts being used as a tool in the fruit industry to support official certification decision-making.

After many years of waiting for electronic data exchange between commercial and official system the creation of the e-Certification project by DAFF means the fruit industry is now moving rapidly to a situation where e-Certification will be reality. It is expected that by September 2018 the first electronic phytosanitary documentation will be processed by the Netherlands. Much work remains over the next 18 months to improve (even re-design) the official systems leading up to the point of export.

### Activities and milestones undertaken:

**E-Certification office:** Fruit SA have set up dedicated space for the development, operation and support for the e-Certification platform in Hillcrest near Durban. The support contact number has also changed (now 031 940 6795) for both PhytClean and e-Certification queries.

**High-level stakeholder engagement:** During May and June Paul Hardman attended various fruit industry associations to talk about the project and confirm the principles of how it should function. Visits were made to the avocado, pome and stone (Executive), table grape (SATI), and exporters (FPEF) Boards.

Similar visits to the PPECB and CGA Boards will follow in the 3rd quarter of the year.

**Dutch and Kenyan e-Certification experts:** In June, two experts working on the Kenyan e-Certification platform (under KEPHIS), and a Dutch representative leading the Dutch e-Certification project, joined SA counterparts over four days to unpack what e-Certification best-practice might look like. Exposure to these two existing systems in operation and how they had been put together was extremely valuable and made an immediate impact on the design of the South African solution.

**Industry stakeholder engagement:** The e-Certification team has also set up e-Certification Best Practice Workshops as opportunities to raise awareness about the project and elicit inputs and recommendations from key stakeholders. Workshops have been held in Durban and Stellenbosch so far, with the same concept to be rolled out in Gauteng (details to follow).

**Visit to the Netherlands:** DAFF and the Netherlands government have a Memorandum of Understanding (MOU) to cooperate on e-Certification. As part of this MOU Dutch counterparts will host the South African delegation in September to work on the delivery processes of export certificates. It is planned that live demonstrations of the system might be possible during the meetings.

Electronic Standards Authority for the Fruit Industry (ESAFI) was set up in 2016 with the specific purpose of developing and publishing electronic standards to support the communication of information between stakeholders in the supply chain and officials (DAFF), with the view to move toward electronic certification.

The intention is to not replace any legislation or rules, but rather drive a process to have consistent interpretation of those rules that is accessible to all stakeholders. The current list of standards can be found at: [www.phytclean.co.za/esafi](http://www.phytclean.co.za/esafi)

## Tackling forced labour

Prominent international and South African businesses have joined the, Stronger Together programme, to address forced labour in the fruit and wine producing industries in the country. Various South African businesses are supporting and engaging in the programme. The collaborative business-led programme works across global supply chains to support producers. >>





An estimated 24.9 million people are in situations of forced labour globally. Due to a number of contributing factors, agriculture is seen as a sector with a high risk of labour exploitation. However, many businesses within this sector are not aware of, or able to address this exploitation that may be taking place within their businesses and supply chains.

Through free dual-language (Afrikaans & English) training workshops and practical resources this initiative is designed to equip these businesses.



The initiative is also facilitating dialogue between the different supply chain partners and producers. Organisations and businesses involved in the supply chain of wine and fruit from South Africa to national or international markets can get involved by:

Referring and supporting your producers to engage with the programme by attending the training and using the free resources. We have trained more than 500 producers, Senior managers and HR officers in five different provinces. Contribute to the programme by becoming a partner. Visit our website for more information, upcoming workshops as well as free resources:  
<https://www.stronger2gether.org/za>

#### **Opportunity to host a workshop:**

Engage, inform and equip your suppliers and employees – if you provide a venue, local expert Stronger Together facilitators can deliver a free Tackling Forced Labour Workshop (presented in Afrikaans & English) at your site to between 20-30 attendees from your region.

Contact our local South African based project manager at [infoza@stronger2gether.org](mailto:infoza@stronger2gether.org) or on +27 (0) 21 880 0580.

Dr Konanani Liphadzi



## **CEO's note**

### **Closer collaboration needed between BRICS countries**

South Africa produce about 4.7 million tons of fruits annually of which 60% is exported to more than 89 countries in the world, including the BRIC countries. The industry contribute about one third of the agriculture sector's contribution to the GDP and employs more than 200 000 people.

Our industry is located in what I call the 'sweet spot' in terms of vision 2030 of the National Development Plan - which is characterised by high growth potential and labour intensiveness. The realization of that potential depends on the role of our government through Department of Agriculture, Fisheries and Forestry and the Department of Trade and Industry in facilitating and maintaining market access for our products.

A quick assessment indicates that BRICS countries represents 3.1 billion people, about 41% of the world population. There lies a great potential if we can facilitate and promote intra-BRICS trade. As South Africa, we pride ourselves as being the gateway to the rest of Africa, bringing another 1.2 billion people to trade mix.

Therefore, the need to accelerate market access between BRICS countries without having to wait for years should be prioritised. Furthermore, I call for closer collaboration between BRICS countries in dealing with sanitary and phytosanitary measures to speed up the processing of market access applications.

Fruit SA is prepared to collaborate with growers and exporters in the BRICS countries to share expertise, research and technology.

