



fpéf
SOUTH AFRICA
FRESH PRODUCE
EXPORTERS' FORUM

“Keeping it Fresh”

News from the FPEF – 02 May 2019

Dear FPEF members,

Welcome to this edition of *Keeping it Fresh* where we share some of the recent relevant news and developments in a summarized format with you.

MARKET ACCESS NEWS

Before attending *Fresh Produce India*, the Fruit South Africa delegation met with the Indian authorities in Delhi regarding our market **access application** for avocados and litchi's as well as the land-based cold treatment requirement by **India**.

- The Indian authorities informed the delegation that they have not received the required information which was sent to them by South Africa (DAFF) in June 2018 with regards to the applications for avocados and litchis. The matter will be followed up by both DAFF and the SA High Commission in Delhi.
- The status of (progress with) the in-transit cold treatment shipment trials for apples, pears and citrus was discussed. According to the Indian authorities some trial shipments were still outstanding, but the FruitSA delegation confirmed that all trials were indeed done. Fruit SA will engage with DAFF to ensure that the matter is being concluded.

As was mentioned in previous editions of *Keeping it Fresh*, delegations from both **China and Vietnam** visited our industry with regards to our market access applications. We are still awaiting feedback.

FRESH PRODUCE: INDIA

We (FPEF) have participated last week in the **Fresh Produce India** trade show and conference in Mumbai where FruitSA was a gold sponsor of the event.

Some interesting insights into the Indian market were obtained:

- For Indian consumers the top concerns with regards to fruit and vegetables are *Quality (35%)* - which is in essence food safety, *Freshness (27%)*, *Taste (18%)*, *Availability (10%)* and *Price (10%)*.
- Neighbourhood stores (43%) and Local fruit and vegetable markets (32%) still account for the biggest share of fruit and vegetable purchases. The modern trade outlets (retail shops) account for 16%, hand-pulled cart vendors (13%), on-line ordering 9% and farmers' markets 6%.
- Only 30% of consumers (who participated in the research), view digital ordering of fresh produce as a relevant tool. The highest impact in this category is in the age group below 45. For 54% of the respondents, digital as a tool was only relevant from a point of gathering awareness about newer varieties or the benefits of selecting certain varieties.

As soon as the presentations given at the event are available for distribution, it will be shared with you.

The Fruit SA delegation travelled to **Jakarta** from Mumbai to meet with Indonesian officials and importers regarding the status of import permits and other market access issues. More information will be shared as it becomes available.

OUTWARD SELLING MISSION TO INDIA

If you are interested in gaining more first-hand insight into the Indian market dynamics, you can consider applying to be part of the **Outward Selling Mission (OSM) to India**, arranged by the **dti**. The Mission forms part of the **dti**'s objective to create and identify export markets for South African value-added products and services in Asia. The Mission also serves to promote South Africa's products and services offerings in high growth Asian markets. The **dti** has planned a programme of activities, which will include trade seminars, mini exhibitions, business-to-business meetings and business site visits.

Kindly note that the closing date is **10th May 2019**.

Contact details for enquiries:

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REMINDER:

Please note that *China Fruit Logistica* is postponed until 2020.

ASIA FRUIT LOGISTICA will still take place on 4-6 September 2019 in Hong Kong.

FEEDBACK: MORATORIUM ON HIGH CUBE CONTAINERS

- The Minister has extended the moratorium for one more year until 01 January 2020.
- The Task Team commissioned by the Minister met twice and clear instruction was provided to have research completed and findings available for reporting directly to the Minister in July 2019.
- No minutes available from both task team meetings.
- Reviewing of the Terms of Reference was done and agreed upon during the previous meeting with a copy provided to the Department of Transport for their rubber stamp.
- No clear official timeline set and documented for the task team workgroup activities (as agreed in the meetings).
- An official document was circulated by the DoT (Department of Transport) containing information regarding the tender process & requirement of the service provider and diluted information on the terms of reference of the Task Team.
- A tender process followed for acquisition of a service provider to conduct the research.
- Only two service providers tendered. The application deadline was 29 March 2019. The evaluation of the tenders was scheduled and due for completion last week, however, there was an adjudication thereof. The remaining process is the opening of the financials, handled as a two-stage process tender. The opening of the financials falls within the purview of the Directorate SCM (Supply Chain Management) and the DoT Task Team is awaiting the outcome. The successful bidder is due for selection at the end of this week according to the DoT Task Team Chairperson.
- The Task team will meet again when the first draft report has been prepared by the successful bidder.
- As soon as a service provider is contracted by the Dept of Transport, we should have a better idea on whether the July research deadline will realise. Again, the FPEF will add pressure for this process to be expedited. Furthermore, this matter has been escalated to Agbiz (of which FPEF is a member) and their Fruit Desk plus lastly, aimed towards the Presidential Working Committee.

PROPOSED AMENDMENTS TO RUSSIAN IMPORT REQUIREMENTS

Claimed amendments in regards of the completion of phytosanitary certificates in particular has reference:

- No notification was received via the WTO or NPPO Russia of amendments to import requirements or official changes to phytosanitary certificates (documentation).
- This was confirmed with DAFF via the NPPOZA.
- DAFF will not amend the format of the phytosanitary certificate, if not officially notified.
- To date, no feedback was received where penalties were paid or containers refused entry into Russia as a result of not complying with official documentation (import) requirements, from exporters. If any containers are not cleared (released) or penalties arise as result of amended documentation requirements, exporters should please notify the FPEF as soon as possible.

FRUITSA ANNUAL TRANSFORMATION REVIEW

If you have not yet looked at the Fruit South Africa **Annual Transformation Review**, which was distributed last week, please do so; especially pages 29-35 where the FPEF activities and contribution to transformation are highlighted. Thank you once again to Johannes Brand (our Transformation Coordinator) for all his hard work in this regard. This document again highlights the importance of having the information on our activities available. We will again conduct our annual **Transformation Survey** within the near future, and we urge you to please provide and share the information on your transformation programmes. The previous survey had a response rate of only 45% - which obviously led to quite an incomplete picture of all the positive things which are happening in our industry on this front.

CONGRATULATIONS: CAPE FRUIT COOLERS

The FPEF would like to congratulate and wish Cape Fruit Coolers well on their new facility just off the N7 highway en-route to Citrusdal. Cape Fruit Coolers, an independent organisation with the sole aim of servicing the citrus, grape, apple, pear and subtropical export industries, unveiled a brand-new facility designed specifically for cold steri markets on 29 April.

They will receive their first consignments of soft citrus destined for the United States in this week. The first conventional ship for the USA is expected in the next week. The 12,000m² facility currently has a capacity of 5,000 pallets (apart from Cape Fruit Coolers' other facility in Killarney, with additional capacity of 6,500 pallets). The company has also recently been approved to handle the citrus consignments for Japan, also a cold steri market, currently cooled at the Killarney facility.

FREEDOM DAY CELEBRATIONS: SPONSORSHIP OF FRUIT

We participated in the **25th South African Freedom Day Celebrations** which was hosted by the South African Consul-General in Mumbai. The event was attended by 400 international guests and each received a South African apple and pear – which was sponsored by Fruit South Africa. In addition, we also sponsored fruit for the events in Berlin and Shanghai.

Best regards

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