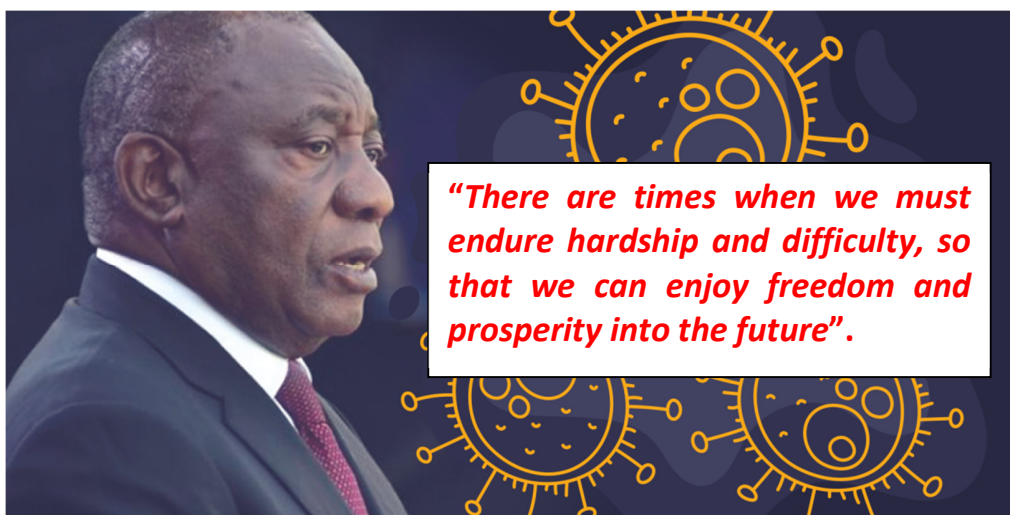




Dear FPEF members,

When President Ramaphosa announced on 23 April the gradual ease of COVID-19 restrictions from Level 5 to **Level 4**, as of 1 May, he said:



Although we are in the fortunate position that our industry was declared as an essential service right from the start of the restrictions, which enabled us to continue operating, it was (and still is) not without difficulties and even hardship for some. Predictions are that the economy will shrink and we will need to see what the impact on our industry will be.

From the FPEF’s side, we strive to provide you with as much **information** as possible - and we also need information from you in order for us to assist you in addressing challenges. One mechanism to assist our members is via the BFAP (Bureau for Agricultural Policy)’s web-based monitoring and reporting system, which was developed to inform Government of challenges/hindrances/constraints experienced. The FPEF forms part of this initiative and we have the opportunity to log our issues via this web-based system. Initially, the BFAP reports were compiled every 48 hours, but it has now changed to once a week. The information will be captured in a report which goes directly to the Task Team which deals with the agricultural food value chain.

In order to utilise this opportunity to the utmost, we rely on you as our members to provide information regarding the challenges/hindrances encountered - including who should be responsible for finding a solution.

It would be appreciated if information could be sent to me: anton@fpf.co.za if/when you do identify a challenge.



Due to the FPEF being part of this, we were able to provide input with regards to the **Level 4 restrictions framework**. Thank you to those of you who provided information. We realise that the request was on very short notice as we had 24 hours to submit our input – which was included in the report sent to Minister Ebrahim Patel of the dtic. As soon as more detail on the Level 4 restrictions becomes available, we will communicate it to you.

Unfortunately, there seems to be a high incidence of COVID-19 cases in one of our primary production areas in

the Western Cape, namely the Witzenberg area. We trust that the situation will stabilise soon.

We have obtained confirmation that the **current CIPC certificates** with regards to registration as essential service businesses, **will still be valid** when the COVID-19 restrictions move to Level 4. Should the requirements change, we will inform you.

FPEF'S CONTRIBUTION TO FOOD SECURITY

True to the nature of our industry, which is in essence a peoples' business, linked with our members' values, it is no surprise that some of our members, have indicated that they wish to contribute to combatting hunger and food insecurity by donating fruit. They have however, said that they believe the most effective way of doing it would be to do it on an industry-wide basis, as they do not have the know-how, or the time to coordinate and manage it.

We have engaged with the grower associations and established a project management team to coordinate and manage the project under the leadership of Junette Davids. It seems that the FPEF's role should include the logistics in collecting and distributing the fruit to where it is needed most. It would make sense to partner with organisations who are already involved in such projects (distributing food parcels, running soup kitchens, etc.) as it will have a meaningful impact to add fresh fruit to such meals/parcels. You will be receiving communication about this from Junette.



The initiative's management team will meet on Wednesday, 29 April to confirm the fruit supply of the growers' associations and establish the appropriate logistics required to support the distribution activity. Currently, we have identified the following food distribution organisations to partner with:

Food Forward SA	Save the Children
Joint Aid Management (JAM)	Red Cross
SOS Children Villages	Gift of the Givers
Stellenbosch Unite	Pebbles

FPEF members who wish to donate fruit and/or provide logistical support are welcome to contact Junette Davids at junette@fpef.co.za.

OPERATIONAL AND LOGISTICS MATTERS

Russia:

The first conventional vessel of the season with citrus for Russia left Durban last week Friday and is due to arrive in St. Petersburg around 15 May.

South Africa loaded the vessel to capacity which also services the EU/UK market.

Exporters do however need to take note of the limited operational staff at the distribution centres, where incorrect/incomplete labels might be regarded as rejections.

We do emphasize the critical nature of complying to the labelling requirement, and also consider the quality that is being shipped.

Our Department of Agriculture communicated via the WTO (World Trade Organisation) the new format and phytosanitary electronic certification amendments.

It has come to our attention that Rosselkhoznadzor (the Phytosanitary authority in Russia) were not aware of the amendments and a request has been made to the Department of Agriculture to engage formally with the Head of Rosselkhoznadzor of the Russian Federation.

Korea:

DALRRD is busy implementing the pre-clearance procedure as communicated by South Korea. The program should commence soon. A letter for comments that must be sent to Justin Chadwick (justchad@cga.co.za) was circulated to all members.

Ports:

Cape Town Container Terminal	- 2 berths / 4-6 gangs
Cape Town Multipurpose Terminal	- 1 berth / 2 gangs
Coega Container Terminal	- 1 berth / 4 gangs [possible extra berth w.e.f 02/May]
Port Elizabeth Container Terminal	- 1 berth / 3 gangs
Durban Pier 1 Terminal	- 1 berth / 5 gangs [2 berths from 03/May]
Durban Pier 2 Terminal	- 4 berths / 10 gangs
Durban Multipurpose Terminal	- 1 berths / 2 gangs

In Cape Town, 57% of the workers and facilities are operational (4 waterside gangs and two berths) and will continue like this during the Level 4 lockdown period. This is also to ensure social distancing.

According to a Maersk press release 1800 empty reefer containers have been allocated to Durban. In Cape Town, vessels seem to discharge a large number of empty containers at a time. A week or two ago exporters and logistic service providers struggled to secure an empty container when making a booking with the shipping lines. However, this seems to have been resolved and the availability of empty reefer containers is under control for now in Cape Town as well as Durban. Port Elizabeth also has enough supply.



Durban:

Durban Pier 1: there is a manual booking system that is causing a delay of approximately 4 days which is impractical and needs to be addressed.

Durban Pier 2: is relatively functional.

TRADE SHOWS

With regards to generic promotions and **trade shows** for the remainder of the year, there is, understandably, still some uncertainty, but the following information is available:

We received confirmation from the organisers that the following shows are still going ahead as planned:

- Asia Fruit Logistica: 16 – 18 September 2020 in Singapore. Deadline for applications to be an exhibitor on the National Pavilion still to be confirmed.
- Fruit Attraction: 20 – 22 October 2020 in Madrid
- China International Import Expo (CIIE): 5 – 10 November 2020 in Shanghai

FURTHER TAX MEASURES TO COMBAT COVID-19

Additional tax measures announced include, but are not limited to:

- From the 1st of May until the end of August, there will be a 4-month holiday for skills development contributions (1% of total salaries).
- Small businesses that can claim VAT back will be permitted to do so monthly opposed to every two months.
- Carbon Tax payments are deferred from 31 July 2020 to 31 October 2020.
- The payment of excise taxes on alcoholic beverages and tobacco products due in May and June 2020 will be deferred for 90 days.
- The announcements made in the 2020 budget to (1) restrict net interest expense deductions to 30% of earnings; and (ii) limiting the use of assessed losses carried forward to 80% of taxable income will now only be effective for years of assessment commencing on or after 1 January 2021 and the implementation of the measures postponed to at least 1 January 2022.
- Employment Tax Incentive amounts increased – in addition to the measures announced earlier in the year (removing the age restrictions), the R500 subsidy cap for employees earning up to R6500 has been increased to R750 per month. This means that employers can deduct their PAYE up to R750 per month for each employee earning the maximum assessed amount of R6500 per month.
- It was previously announced that businesses can defer up to 20% of PAYE to be repaid after a 3-month period. This has now been increased to 35%.
- Increased deductions available for donations to the Solidarity fund.



LEVEL 4 LOCKDOWN RULES AS FROM FRIDAY, 01 MAY

- From Friday the wearing of masks will be compulsory.
- Availability of hand sanitizers at places of work with at least 60% alcohol content or soap and water.
- Social distancing should be maintained in orchards and packhouses and in the transport of workers.
- There should be markers on the floor of vehicles where people have to sit / stand.
- Masks for drivers.
- Make sure the transport (how many people per vehicle, etc.) regulations are complied with. Private transport has been adjusted to 60% capacity. Public transport, taxis and buses, may carry 100% capacity, but then everyone must wear masks; without masks - public transport, 70% capacity applies. Public transport operating times (05h00 to 10h00 and 16h00 to 20h00).
- Transport permits need to be in place for each individual.

USEFUL LINKS


Please note that you can find relevant information about **COVID-19** on our website: www.fpef.co.za

Official SA Government information site: <https://sacoronavirus.co.za/>

Business for South Africa COVID-19: <https://www.businessforsa.org/>

Emergency Response number for COVID-19: 111



ALERT LEVEL 5	ALERT LEVEL 4	ALERT LEVEL 3	ALERT LEVEL 2	ALERT LEVEL 1
 OBJECTIVE				
Drastic measures to contain the spread of the virus and save lives.	Extreme precautions to limit community transmission and outbreaks, while allowing some activity to resume.	Restrictions on many activities, including at workplaces and socially, to address a high risk of transmission.	Physical distancing and restrictions on leisure and social activities to prevent a resurgence of the virus.	Most normal activity can resume, with precautions and health guidelines followed at all times. Population prepared for an increase in alert levels if necessary.

... and lastly, the mantra which we now have become accustomed to:

*keep your social distance,
sanitise
and be safe.*

Kind regards

Anton