



KEEPING IT FRESH



News from the FPEF – 13 December 2023

Dear FPEF Members,



And here we are with the last edition for 2023 of our Newsletter. At the end of every year, we say that the year felt short with so many things happening – and this year was no exception. As was said at the Annual General Meeting, and mentioned in our 2023 Annual Report, 2023 consisted of even more challenges than 2022:

- Increased load shedding.
- Further deterioration of infrastructure such as the ports.
- International trade barriers such as the EU’s CBS regulations, the absence of trade agreements between South Africa and all the priority markets in the East.
- The South African Government running out of money which resulted in the dtic’s withdrawal of funding a South African Pavilion at Fruit Logistica Berlin 2024 (2024 is mentioned here as the withdrawal happened in 2023). DALRRD not having money to pay for officials to go on market access visits to the markets in the East where we have been/still trying to gain access to (we thus carry the cost of such officials). Transnet not able to buy spare parts for equipment and also not able to buy new and additional equipment,
- Regulations, Rules and Acts which do not take the unique character of fresh produce exports into account.
- Natural disasters; mainly floods.

On the international front the war between Russia and Ukraine continued and there is also not an end in sight in the war between Israel and Hamas. We participated in high-level international events such as the BRICS Summit and AGOA Forum - where we ensured that our industry’s voice is heard.



Market Access
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Government Engagement
Transformation

Export process assistance
Research, Development and Innovation

In all of this our industry again showed its resilience, made plans (and implemented it!), kept on engaging with decision makers. The positive reputation and credibility of the FPEF led to our inclusion in structures at Presidential level such as the NLCC (National Logistics Crisis Committee). We also continue to engage relevant ministers such as Minister Patel (dtic), Minister Didiza (DALRRD), Minister Gordhan (SOE's – especially Transnet and Eskom which are of crucial importance to us). On this level we managed to get Minister Gordhan to visit us on Monday 11 December and we took him on a "tour" in order for him, and the Transnet senior management team, to understand the complexities of the value chain.

All was not doom and gloom and we did see some improvements and achievements, such as the conclusion of the avocado protocol with China, completing all the work needed to conclude the avocado protocol with Japan, the growth and success of our Graduate Placement programme, successful participation in Fruit Attraction Madrid with a 128m² stand (funded by industry).

LOGISTICS & OPERATIONS



Minister Gordhan took a keen interest during his visit with very pointed observations and instructions to the Cape Town Transnet management. Constructive engagement with deliverables is key and will be driven through the Centres of Excellence that **Michelle Phillips** announced during the NLCC (National Logistics Crisis Committee) presentation last night. The first meeting will take place this week and the Minister's office will be kept apprised.



Wolfe Braude, the Manager of the Fruit Desk at **AGBIZ** provided the Minister with information on the South African fruit position as well as prominence, such as fresh fruit equates to 35% of SA agricultural exports by value. Citrus, grapes, apples, pears, & quinces together are higher in export value than manganese or chrome. Total South African agricultural exports are nearly twice iron ore's export value; four times chrome; and three times that of manganese.



We would like to thank our members **Charl Stander**, **Justice Siebrits** and **Jan Hoon** from **F1** and **Ockert Henning** and **Marius Nel** from **SAFT** for hosting the Minister, sharing context and concerns.



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The first pre-used RTG of the seven procured from Los Angeles was landed from the **Happy Dover** and she will continue her discharge in Cape Town over the next four days. According to Transnet, these seven RTG's will be operational within a week from discharge. There will be a total of 29 RTG's operational in Cape Town before Christmas but the risk remains of local older equipment that are less reliable breaking down. On paper we are in a better position than last year with equipment and need management and staff to deliver performance.

To reduce the Durban backlog, management set daily crane move targets that will increase over time, unfortunately on Monday the terminal performed 3 004 moves compared to the target of 4 000 moves and we are not out of the woods yet.

The first ever **Magenta ONE Vessel** in South Africa, the **MV ONE Readiness** just berthed in CPT (this morning). **Iain McIntosh** played an integral part to advance delivery of this class of vessel for SAECs.



Our office will “close” at 13:00 on 22 December and reopen at 08:00 on 3 January. However, some of us will be on standby to assist with crises.

On behalf of all eight of us, we wish you an enjoyable Festive Season.

Until 2024,

Anton Kruger

