



# KEEPING IT FRESH



**News from the FPEF – 29 November 2023**

**Dear FPEF Members,**



**Our CEO, Mr Anton Kruger and Chairman, Mr Mark Jensen**

A word of appreciation for those of you who attended our Annual General Meeting last week Thursday – the majority in person and others via Zoom.

With regards to financial matters, I am pleased to inform you that we have once again received an unqualified audit report, thanks to the sterling work of our Financial Manager, **Marinda Roux**.

I wish to thank you for your approval of the FPEF's budget for the new financial year:  
**Pallet fees** of **R4.09** per pallet, based on volumes exported between 1<sup>st</sup> October 2022 to 30 September 2023. This is charged to all members once a year in December.

**Basic membership fee** calculated on a sliding scale, based on the volumes exported by a member as a % of the total volumes exported by all FPEF members. It ranges between **R13 934.28 + VAT** and **R21 771.04 + VAT** and is payable in advance before 31 January 2024.

The risk of the **dtic not funding Fruit Logistica Berlin 2024** has materialised. The dtic informed us yesterday that it is due to budget cuts for all Government departments. They still need to send us details on the contractual arrangements with the organisers, but in the meantime Marletta and I are working on a proposal on how the industry can fund our participation. This development proves that the budget increase was necessary.

The **guest speaker** was the economist **Dawie Roodt**, who gave an excellent perspective on the impact of the international environment (the wars in the Middle East and Ukraine) as well as the inability of the South African government to deliver the services in some areas which are of crucial importance to our industry, such as logistics.



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



Talking about logistics, we are constantly involved on various levels to address the challenges and seek solutions. One such recent engagement, was a meeting with Minister Pravin Gordhan, the Acting CEO of Transnet, Michelle Phillips and the management of the Port of Cape Town. The entire value chain was explained to the minister, and we have invited him to visit us when we will let him see the value chain from harvesting of fruit until it gets loaded onto a vessel.

*Minister Gordhan, Anton Kruger, Michelle Phillips*

**MEMBERSHIP**

We would like to extend a hearty welcome to our **new members** and trust that we will have a mutually rewarding association together.



**Exporter Category:**

**Khula Fresh**

**Vida Fruit**

**Associate Category:**

**CH Logistics**

**Imperial Clearing and Forwarding SA**

**Morreto Trade**

**TRANSFORMATION**

**FPEF Annual Member Transformation Survey**

The FPEF conducts an annual transformation survey which is vital to track transformation progress, keep the government updated and secure dtic funding for FPEF activities. The brief survey will not take more than 2 minutes to complete and was emailed to FPEF member CEO's/senior execs on the 9<sup>th</sup> of November. **For those who have not completed the survey yet, please do so as soon as possible using the link below.** Thank you!

[FPEF Transformation Survey 2023](#)

**FPEF Top of the Class (TOC) Export Value Chain Training Programme**

The FPEF's second annual online TOC training programme was completed in November. Twenty-three employees from thirteen FPEF member companies participated in the six-day programme, which is split over three blocks of two days each. The course content covers the fruit export value chain from field to fork and is aimed primarily at employees in junior to middle management positions within fruit export companies, packhouses and logistics companies. Participants provided the following feedback:

***"It was good to learn the full chain, especially on the farmer side. It made me understand what it all takes to actually get an end product to export, and all the parts and costs involved."***

***"I really enjoyed every aspect of the program. Packaging, vessels and Inco terms was most relevant to me, so I extra enjoyed that."***



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The FPEF will be offering the TOC programme next year online in May and again in October. FPEF members who would like to enrol employees in the programme next year either online or in person are welcome to contact Johannes to book or for further information. [johannes@fpef.co.za](mailto:johannes@fpef.co.za) | 071 688 1888.

## LOGISTICS & OPERATIONS

### Ports

#### **Durban**

As of Monday, there was a total of 31 000 import containers on vessels outside the port of Durban and the expectation is that the backlog will be cleared by February. Since the statistics were announced, Maersk advised that their MESAWA service will suspend Durban Calls until the end of January, subject to review and together with other potential omissions could bring the recovery timeline forward. The tug situation at Durban has stabilized, where earlier in the year the port struggled with two tugs, this week six tugs were deployed resulting in less wasted time during vessel exchanges. The overview Transnet's recovery team provided showed that the increase of vessels at anchorage mainly occurred at the Pier 2 terminal that is operating with 50-60 straddles of which 45 are reliable with plans to increase availability to 70 straddles. In early September berthing delays outside Pier 2 terminal were 3 days, by the end of September 7-8 days and by the end of October 13-14 days to 16 days currently. There has been a slight improvement in the number of vessels at anchor but no discernible reduction in waiting time.

#### **Gqeberha (Port Elizabeth)**

Following the implementation of the Truck booking system (TBS) at Port Elizabeth Container Terminal (PECT), reports of challenges to secure bookings made it to the newspapers and an emergency meeting was held. The implementation at NTCT has been postponed until the challenges have been resolved.

#### **Cape Town**

Wind thus far for the month of November is on par with last year's delays and for the next two weeks there will be vacant berths in the Container terminal. One has to consider the impact of services that moved from CTCT to MPT and vessels delayed in Durban. The RORO vessel, the Happy Dover is making steady progress having passed the southern tip of South America and appears on the Cape Town berthing plan on the 10<sup>th</sup> of December to start the discharge of the seven RTG's from Los Angeles, subject to weather conditions enroute.



We have previously reported on the efficiency at Fresh Produce Terminal (FPT) a private operator where Maersk this week induced the Maersk CAP Carmel en route to Europe, export members reported swift offloading of trucks in addition to the train volumes from Belcon. Cargo spent very little time in the stack. [Photo credits: FPT]





## Market Access

### India

India remains an important market and engagement is well underway to facilitate in the relaxation of stringent treatment measures. Earlier this year, in-transit cold treatment for pome fruit was accepted by the Indian authorities. The same process was requested for stone fruit, which is next in line.

We are still awaiting feedback on the successful in-transit cold treatment trial shipments for citrus fruit. However, there is a growing need to accelerate the process, and discussions with other departments are already in progress. South Africa is still one India's preferred trading partners, strengthened with BRICS membership of both countries. Recently, it was further confirmed that the use of methyl bromide as a fumigation treatment for exports of fresh produce to India, remains permissible. However, India, using a phased approach, is now declassifying nations that have notified the Indian NPPO that methyl bromide is not being applied as a treatment measure before exports. We are consciously engaging government on keeping methyl bromide as treatment measure in place for the foreseeable future.

### Azerbaijan

There was much debate during the citrus season regarding import requirements for citrus exports to Azerbaijan. The National Plant Protection Organization of Azerbaijan (NPPO) has revoked the import permit requirement for fresh fruits and vegetables, in the latter part of 2022. During the citrus season, there was much confusion on the requirement for an import permit to be presented before citrus export to Azerbaijan can commence. In the latest DALRRD Information sessions, it was confirmed that an import permit is not a requirement for the export of citrus to Azerbaijan, in lieu of the cancellation of the requirement in 2022.

Until next time,

**Anton Kruger**

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 Fresh Produce Exporters' Forum



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