Dear FPEF Members,

The fresh produce industry is facing what can only be described as a perfect storm. Markets are under severe pressure, logistics channels are congested, and too much fruit is either remaining unsold or achieving prices that do not adequately reward the effort and investment required to produce and export it.

These are rough times, and there are no easy answers. What we can do is remain resilient, manage what is within our control and make the best possible decisions under difficult circumstances. This industry has weathered tough seasons before, and it has always done so through discipline, adaptability and cooperation across the value chain.

The road ahead may remain challenging, but we must keep moving forward - supporting one another, sharing information and finding practical ways to navigate the storm.

Engagement with Deputy Minister Steenhuisen

The FPEF recently engaged with **Deputy Minister John Steenhuisen** on the challenges affecting the competitiveness and growth of South Africa's fruit exports.

We emphasised the importance of the industry to the economy - currently valued at approximately **R94 billion** and supporting more **than 366 000 direct on-farm jobs** - as well as its potential to generate further exports, investment and employment.

The discussion focused on several key priorities:

- Addressing logistics inefficiencies, particularly at the ports, which continue to cause delays, increase costs and undermine South Africa's reliability as an international supplier.
- Improving deteriorating road infrastructure affecting the movement and cost of fresh produce.
- Securing continued government support for South African participation at strategic international trade exhibitions.
- Strengthening *dtic* representation in priority export markets to support exporters, identify opportunities and help resolve trade-related challenges.
- Accelerating trade negotiations with key markets, including India, China, other Asian countries and the United States, where South African fruit increasingly competes against countries enjoying preferential tariff access.
- Strengthening government's technical and negotiating capacity, together with closer coordination between the *dtic*, the Department of Agriculture and DIRCO on trade and market-access priorities.

We welcomed the opportunity for a constructive discussion and reiterated that closer collaboration between government and industry is essential if South Africa is to protect existing markets, diversify its export base and realise the fruit industry's considerable growth potential.

DM Steenhuisen was instrumental in gaining momentum in market access in his previous role at the Department of Agriculture and we believe he can do the same at the *dtic* especially getting trade agreements in place to improve our competitiveness.

Engagement with Minister Aucamp

The FPEF recently participated in a **Fruit South Africa** engagement with **Minister Aucamp** to discuss the fruit industry's contribution to the economy and the areas in which closer cooperation with government is required. Fruit SA acknowledged the Department of Agriculture's support and recent progress on market access, including missions to priority Asian markets, work towards signing the cherry export protocol with China and efforts to strengthen coordination across government.

The discussion focused on the following priorities:

- Gaining access to new markets, retaining critical traditional markets and improving existing export protocols that unnecessarily restrict trade.
- Accelerating the processing of market-access applications, particularly as Southern Hemisphere competitors increasingly benefit from preferential trade agreements.
- Protecting South Africa's position in the United States, where established export programmes support significant industry investment and rural communities.
- Securing ministerial support for the signing of the cherry protocol during the upcoming visit to China and for engagement with priority markets, including the Philippines.

- Improving coordination between Agriculture and other key departments, including the *dtic*, DIRCO, Transport, Water and Sanitation, and Land Reform and Rural Development.
- Addressing port inefficiencies, resolving the long-standing high-cube container matter and strengthening government's trade-negotiation and market-access capacity.
- Supporting export promotion through strategic international trade exhibitions and stronger South African representation in priority markets.
- Accelerating the transfer of title deeds to qualifying PLAS farms to support investment and sustainable transformation.

Fruit SA proposed regular engagements with the Minister and invited him to visit one of South Africa's fruit-growing regions to gain first-hand insight into the industry's opportunities and challenges.

<u>Fruit industry engagement with Minister Creecy at CTCT</u>

The fruit industry recently engaged with **Minister of Transport Barbara Creecy** at the Cape Town Container Terminal to address the ongoing logistics challenges affecting fresh-produce exports. These include poor communication, staff shortages, equipment breakdowns and operational disruptions that have contributed to congestion, delays and substantial losses for the industry.

<u>The Minister announced several proposed interventions:</u>

- Digitisation across the logistics system to improve communication, information sharing and operational visibility.
- Establishment of a "war room" structure involving cargo agents, TPT and shipping lines to identify and resolve problems more rapidly.
- Measures to limit staff shortages and reduce the impact of equipment breakdowns during the coming deciduous-fruit season.
- Further private-sector participation in selected parts of the port, although this will not yet extend to the container terminal.
- Consideration of the pre-emptive diversion of cargo to other ports to mitigate the seasonal risk at Cape Town.

The industry is cautiously optimistic about these interventions. However, previous experience has shown that well-intended plans do not always translate into effective implementation. Diverting fruit to other ports also carries significant additional costs and operational consequences and cannot replace the need for a reliable Cape Town Container Terminal.

We will therefore continue to advocate for strong executive oversight, meaningful industry involvement in operational planning and practical, implementable solutions that improve port performance without creating unintended consequences elsewhere in the supply chain.

FPEF Mailing List Update

To protect the value of FPEF membership and ensure that member communications remain a benefit reserved for members, the Board has reviewed the inclusion of affiliated companies on our mailing lists.

Going forward, **only affiliated companies that are wholly owned (100%) subsidiaries of an FPEF member** will be included under that member's membership. Other affiliated companies wishing to continue receiving FPEF communications are warmly invited to consider **Associate Membership**.

Affected members and companies will be contacted directly with further information.

Congratulations to our Chairperson

The FPEF congratulates our **Chairperson, Charl du Bois**, on his appointment as **Managing Director of Grape Connection, RSA Group's** newly established table-grape export business.

Charl brings more than 20 years of leadership experience in the fresh-produce industry to his new role. We wish him every success with this exciting new chapter and look forward to his continued contribution to the FPEF and the broader fruit-export industry.

NEW MEMBERSHIP – CLAUDIA WALKLETT

The following members were approved by the **Board of Directors on 19 August** and we would like to extend a hearty welcome to them:

Associate Category:
Africa Global Logistics
Linc Communications

Exporter Category:
Môreson Trust
Ugro Group

MARKETING AND PROMOTIONS – MARLETTA KELLERMAN

Asia Fruit Logistica 2026

The next edition of **Asia Fruit Logistica** will take place from **02 September to 04 September 2026 at AsiaWorld-Expo in Hong Kong.**

The FPEF will host and fund the South African Pavilion together with the Fruit South Africa members (grower associations). A **120 m²** stand is secured in **Hall 5 Stand number D02 (5D02).**

Pre-bookings for meeting tables are now open. Please refer to the email from Marletta@fpef.co.za for further information.

Please ensure that you have read and understood the terms and conditions prior to booking a table.
During the exhibition, additional bookings may be made at the pavilion on a first-come, first-served basis, subject to availability. Preference will be given to members of FPEF, CGA, Hortgro, SATI, Subtrop, and BerriesZA. Please have a business card available as proof of membership if requested.

Fruit Attraction Madrid 2026

The next edition of **Fruit Attraction Madrid** will take place from **06 to 08 October 2026 at IFEMA Madrid**.
The FPEF will host and fund the South African Pavilion together with the Fruit South Africa members (grower associations). A **160 m²** stand has been secured in **Hall 14, Stand D10 (14D10).**

Pre-bookings for meeting tables will open on 09 September 2026.

TRANSFORMATION – JOHANNES BRAND

The FPEF participated in the **AgriCareerConnect career fair at Stellenbosch University on 30 July**, engaging with students and showcasing the diverse career opportunities available within the fresh produce export sector. The FPEF also participated in the **AgriCareerConnect event at the University of Pretoria on 19 August** and will participate in the **University of Johannesburg event in September**.

These career fairs provide an excellent platform to promote the **FPEF Graduate Placement Programme** to prospective graduates, while also raising awareness among the broader student community of the wide range of career opportunities available across the fresh produce export value chain.

CORPORATE AND INDUSTRY AFFAIRS – WERNER VAN ROOYEN

Fresh Produce Exports and Technical Market Access Wins

South Africa's horticulture sector once again proved to be the backbone of agricultural trade in Q1 2026, accounting for a record **55% of total exports**. Fruit exports surged to **USD 1.82 billion**, up 9.3% year-on-year, with standout performances from grapes (**USD 783 million, +5.3%**), apples and pears (**+18%**), stone fruit (**+8.5%**), and wine (**+16.5%**). Early-season citrus also delivered a remarkable **65% growth**, while berries posted double-digit gains. This strong fruit-led performance ensured that horticulture's net surplus of **USD 1.66 billion** exceeded the entire national trade surplus, underscoring its critical role in keeping South Africa's agricultural exports in positive territory.

Continuing the positive trend on fresh fruit exports, India has officially reinstated **in-transit cold treatment (ITCT)** for South African citrus. Exporters now have flexible treatment options - either methyl bromide fumigation or cold treatment protocols (0°C for 10 days, 0.55°C for 11 days, or 1.1°C for 12 days). The Department of Agriculture has confirmed shipments can **commence immediately** under the new ITCT protocol. This development improves fruit quality on arrival and offers greater logistical flexibility, strengthening South Africa's position in a high-potential market

AGOA Extension

In fantastic news for African exporters, the **African Growth and Opportunity Act (AGOA)** is on track for a major extension. Following a strong 90–6 vote in the U.S. Senate, AGOA benefits are set to run through **31 December 2028**, ensuring continued duty-free access for thousands of products from 33 eligible sub-Saharan African countries. The extension also preserves key apparel provisions and provides refunds for duties paid during the lapse period. With Africa holding nearly 30% of the world's critical minerals, lawmakers are positioning AGOA as a vital tool to strengthen trade ties and compete globally.

The Fresh Produce Exporters' Forum (FPEF) recently met with **Oliver Flake, Minister Counselor for Agricultural Affairs at the US Embassy in Pretoria**, to explore ways of advancing agri-trade under the framework. This momentum signals exciting opportunities for South African exporters to expand their reach in the US market.

Until next time,

Piet