



KEEPING IT FRESH

fpef
fresh produce
EXPORTERS' FORUM
SOUTH AFRICA

News from the FPEF – 08 February 2023

Dear FPEF Members,



It is good to see so many of you here in **Berlin at Fruit Logistica** at the **South African National Pavilion (in Hall 26, D-54)** which this year is paid for by the **Department of Trade, Industry and Competition (dtic)**, for which we are thankful as we had to fund it last year.

As usual, it is a cold February. Depending on which weather App you use, the temperatures vary between minus 6 and plus 4 degrees C. Those of us who have been here since yesterday experienced snow again.

Our annual **cocktail reception at the SA Pavilion** takes place tonight and I wish to thank those of you who are sponsoring the event:

- PPECB
- Contour Logistics
- GoGlobal Group
- SAFPRO
- United Exports South Africa
- Paltrack
- Morgan Cargo
- Stems Fruit
- LCL Logistics South Africa

One of our big challenges every year with the welcome reception is to obtain South African wine at a reasonable price. Our Marketing Manager (**Marletta Kellerman**) spent a considerable amount of time trying to source it and eventually managed to find a German distributor of **Neil Joubert** wines. We hope that you will enjoy it!



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The South African Ambassador to Germany and Embassy staff will also attend tonight's event.

The FPEF launched the 2023 edition of our annual **Fresh Produce Export Directory** this afternoon. Here you can see Mr Anton Kruger handing over the export directory to the **German Minister of Agriculture, Mr Cem Özdemir**.

Thank you, **Marletta**, for a sterling job - and also thank you to FPEF members who have bought advertising space in the publication.

Fruit Logistica also provides the opportunity for **meetings of international associations** such as the

IFPA (formerly the PMA), **SHAFFE** and others. The FPEF is represented in the roles as an Exco member of SHAFFE and a Country Council member of IFPA. Information about relevant outcomes of these meetings will be shared with you via e-mail.

Back home, the big challenges are with our ports, loadshedding and the introduction of draft legislation by some Government departments, who do not take the nature of our industry into account. Our COO (**Werner van Rooyen**) and Logistical Affairs Manager (**Antoinette van Heerden**) is actively involved in trying to find solutions. Loadshedding is getting worse and thus we have requested Transnet (via FruitSA) to exempt the ports from loadshedding. You will be kept updated on the outcomes.

We are a member of Agbiz and their Chief Economist, Wandile Sihlobo, shared valuable insights regarding South Africa now chairing BRICS. His full article was shared with you, but herewith, some relevant points for our industry highlighted by Wandile:

- It presents another opportunity for South Africa to push for increased agricultural exports into some of the BRICS countries. China is the leading market, accounting for an average of 5% of South Africa's agricultural exports to the world. The top products were wool, citrus, beef, nuts and grapes. The second-largest market of South African agribusinesses within BRICSS was Russia, accounting for an average of 2% over the past decade. Citrus, apples, pears, grapes and wine were some of the top agricultural products South Africa exported to Russia during this period.
- The South African representatives should continue to advocate for lowering import tariffs for agricultural products, specifically within India and China. At the same time, the business community will have to actively promote the "proudly South African" agriculture (and broadly food, fibre and beverages) products in this grouping of countries. Such engagements, however, will not be smooth as China and India would most likely want a reciprocal engagement with South Africa.

PHI (POST-HARVEST INNOVATION PROGRAMME) NEWS

The review process of industries' R&D project proposals is drawing to conclusion. However, several proposals require significant revision and/or additional information/clarification. In total, sixteen funding proposals were submitted of which one was withdrawn. The total cost of the successful proposals amounts to **R20 318 469**, which is co-funded by the Department of Science and Innovation. Funding contracts between the Fresh Produce Exporters' Forum and the respective industry associations are currently being prepared for signing.

TRANSFORMATION NEWS – FPEF GRADUATE PLACEMENT PROGRAMME

In the video below, FPEF member companies and graduates share inspiring testimonials of the positive impact the programme has had on their businesses and careers respectively.

<https://www.youtube.com/watch?v=dOcJyaxwXLA>

The FPEF's 2023 graduate placement programme is well underway with 7 appointments made in FPEF member companies so far. The FPEF provides recruitment services through our service provider Agrijob and the FPEF makes a salary contribution of R5,000 per month for the first 12 months for any graduate appointed through the programme. Agrijob has excellent candidates available and if you are interested in appointing a graduate or would like to find out more, please contact Johannes Brand, johannes@fpef.co.za, 071 688 1888.

LOGISTICS

With increased volumes the past few weeks, it has put the port system under pressure and combined with wind and insufficient communication it added not only cost but frustration to the process. The appeal to the port is improved communication, not only from Transnet to the industry but also between Transnet and TNPA. This morning the port sent updates to assist industry in planning which is a start, and we need the port to build on this. Tomorrow in the TNPA meeting we will address communication as both TNPA and TPT will be present but would also like to address the deterioration of the staging area surface.

The Western Cape Government engaged Econogistics to assist with technical analysis on reducing transporter congestion in Port of Cape Town. This will build on the work that they started with PRDW in 2021 on the root causes of transporter congestion and on the subsequent developments. All industry fruit groups are participating in the study.

During the past two weeks the Port of Saldana received a letter of load reduction from Eskom and subsequently experienced loadshedding. The matter was brought to the attention of TNPA's landlord and who the contract with Eskom resides with. TNPA's Western Cape Office confirmed that their contract with Eskom does not allow for such an eventuality in Cape Town. The fruit industry through FruitSA addressed the matter to the CEO emphasizing the critical nature of electricity supply to ports, the fruit industry and South African economy.

We mentioned in the TNPA study last week to seek recommendations to improve terminal productivity and want to share that initial findings should be available in early March.

Border Management Authority

The BMA regulation was signed into law in July 2022. It serves as a single line of authority for border law enforcement operations at Ports of Entry and within the border law enforcement area which has the potential for more cost effective and efficient services. This includes the integration of immigration, port health, environmental, agricultural, as well as access control functions into the BMA. The regulation will enter into force 01 April 2023. BMA will implement all border law enforcement functions across the land, air and maritime ports of entry and border law enforcement areas (within 10km radius). It includes the integration of immigration, port health, environmental, agricultural, as well as access control functions.

Functions:

- Conduct searches to ensure that only authorised medications and other health related substances are allowed through the Port of Entry, including any medical testing where necessary.
- Conduct searches to ensure that only authorised agricultural and environmental related materials are allowed through the Port of Entry.
- Conduct all immigration related functions which include ensuring that all travellers have all the necessary documentation to either enter or exit South Africa.

Please find official documents here: <https://bma.gov.za/documents/>.

The FPEF will keep members updated on the implementation phase of the Act and related impact on trade.

NEW FPEF WEBSITE

More exciting news is the launch of our new FPEF website! Please visit our website, www.fpef.co.za to have a look! Member log-in information will be shared in due course.

Best regards from a chilly, snowy Berlin!

Anton Kruger



PS: A few gremlins hijacked our last newsletter, and we would like to bring your attention to the following corrections:

Junette Manager – Project Manager should read **Junette Davids – Project Manager**.

Vessel from South Africa arrives in St Petersburg - The voyage time was **22 weeks**; it should read **22 days**. 😊

We would like to apologise for any inconvenience caused.



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