

Newsletter

May 2018

New chairperson and vice for Fruit SA

Ms Bongiwe Njobe is the new chairperson of Fruit SA. She was elected at a board meeting of the organisation. Justin Chadwick, Chief Executive Officer of the Citrus Growers Association (CGA) of Southern Africa, is the new vice-president of Fruit SA.

"I am excited to be taking on this role at this time. Hopefully, the "green shoots" of economic growth globally, the renewed political and governance space nationally and the visible opportunities for transformation and growth in the fruit sector will enable Fruit SA to achieve its objectives," Njobe said.



Ms Bongiwe Njobe

She also serves as a director on the board of the deciduous fruit industry, Hortgro. Njobe has deep roots in the agricultural sector and holds a Master of Science in Agricultural Engineering from the Agriculture University - Vassil Kolarov in Plovdiv, Bulgaria. >

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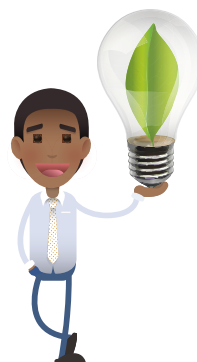
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DID YOU know?



According to the Western Cape Department of Agriculture only 4% of land in the province is in black hands (ownership). In the Eastern Cape only 4% of fruit production is from black farmers (ECDAR).



Chadwick says he looks forward to work closely with Njobe, who he has worked with since the South African citrus industry gained access to China in 2004.

Njobe and Chadwick were elected at a Fruit SA board meeting on the 27th of March 2018. They will also be driving key focus areas at Fruit SA such as transformation, market access, government relations and information management and communication.

"We look forward to bring new energy to the activities of Fruit SA. Bongi has wide experience of the entire agricultural sector and has exposure to industry developments around the world which adds to the experience on the Board," Chadwick emphasised.



Justin Chadwick

Latest on Minimum Wage

The Portfolio Committee on Labour says it is satisfied with the progress made in processing the National Minimum Wage Bill and related legislations.

Acting Chairperson, Ms Sharome van Schalkwyk, said the process has now shifted to the department and that the Bill will be sent for redrafting to effect the input received from the public, as agreed to by the committee. She pointed out that at no point will the legislation take away the right to strike, as is often claimed, and also that the R20 amount is a starting figure that will be reviewed annually.



"The Department of Labour must take its time and rework the Bill for submission again to the committee. This piece of legislation is critical in our country, not only in fighting inequality, but also addressing abuse of the vulnerable workers in some sectors," Van Schalkwyk said. "This is a piece of legislation that will change the course of vulnerable workers in our country for a long time, and it ought to be close to perfection when it is tabled before the National Assembly," Ms Van Schalkwyk said.

Last year, President Cyril Ramaphosa announced that the National Minimum Wage has been set at R20 per hour or R3 500 per month for those that work a 40-hour week. According to studies done in this regard, more than 6 million workers earn less than R3 500 in the country.

E-Cape asks for more fruit production

The Eastern Cape Rural Development and Agrarian Reform plans to plough about R6 million into the provincial deciduous fruit sector to expand production for land reform farms.

Former department MEC, Mlibo Qoboshiyane visited Jourbetina where he joined farmers in the harvesting of apples. The department has signed a memorandum of agreement with Deciduous Fruit Development Chamber to assist with economic transformation of the sector in the province.

"We need more harvest, but what we need most is the skills and training. There must be infrastructure rollout focusing on issues of water, preparation of water infrastructure. The provincial government is committed to support farmers," said Qoboshiyane.



Qoboshiyane (right)



Skills development

According to Qoboshiyane the province decided to combine emerging farmers with commercial farmers to amongst others ensure the transfer of knowledge and skills, as well as market access.

"We made available R11 million to buy shares for black farmers in the Du Toit pack house. We would like to see increased black land ownership beyond the current 4 percent. There is a need for the agriculture economic transformation strategy to work so that we can put more farms under production," he said.

The department says it has also invested R7, 2 million to acquire tractors, sprayers, production inputs for new orchard development, to produce grade A apples for exports. Currently, three land reform farms in the area produce fruits from a combined 175 hectares.

How La Vouere rose from difficult times

Raymond Koopstad and his wife Mary have been farming on La Vouere since 2003. He originally purchased the 110-hectare farm with government LRAD funding and thirty members of the La Vouere Trust.

Many of the original trust beneficiaries were members of Raymond's extended family and with funding from the Western Cape Department of Agriculture the Trust planted their first peaches in 2004. The project was successfully mentored by Adrian Wolfaardt of Verdun Estates in Prince Alfred Hamlet.

Although the project started well, the farm faced many challenges. "After some difficult years we realised that our business model was not sustainable," explains Raymond.

"We either needed to sell the farm or grow in a new direction."

Mentorship and development

In 2015 they restructured the business completely. The Koopstad's bought out the other shareholders and parted on good terms with them. A new company La Vouere (Pty) Ltd. with Raymond and his immediate family as shareholders were born.

Raymond later bumped into his previous mentor's son, Peter Wolfaardt, at an initiative by a group of commercial farmers in the Witzenberg district that wanted to reach out to black farmers in the area to assist with successful transformation of the fruit industry. Peter helped Raymond with water and soil analysis, budgets as well as orchard and variety planning.

Last year, the Western Cape Department of Agriculture's Commodity Project Allocation Committee provided the farm a grant which is managed by Hortgro. The farm planted 15 hectares of mostly export variety nectarines in August 2017, and this year 2018 plan to plant a further 4.5 hectares.



Raymond Koopstad (right) with La Vouere production team leader Maria Coetzee in the orchards planted in August 2017.





Exciting times for young people

"There is an increasing number of young, black agricultural specialists entering the sector compared to five years ago. The sector presents many opportunities and career options for growth and development," says Pios Lubisi who started in April as an intern at Fruit SA.

Pios who explains that his Greek name means 'dutiful' has a Bachelor of Agricultural Sciences in Agricultural Economics: Agribusiness Management from the University of Pretoria.

He plans to further his studies with a Master of Science in Agricultural Economics for the 2019 academic year at the University of Pretoria and possibly do research in the fruit industry.



Pios Lubisi

Pios, says his first interaction with agriculture was through his grandparents in Mpumalanga who were involved in subsistence farming and took him and his siblings along to the fields during school holidays.

Was this perhaps the reason for Pios to pursue a career in agriculture?

"I initially wanted to study Biological Sciences, but it was not to be due to financial challenges. The company owner, Mr Rhine Schoeman, then advised me and suggested career options in agriculture that I can pursue. My parents were not pleased with my new decision, but they accepted it, so did my friends who were very supportive," Pios explains.

Minister happy about Joybells

Higher levels of agricultural productivity in South Africa can be realised through substantial investments in agricultural research and development that also promotes equitable growth in the sector.

Minister Senzeni Zokwana of the Department of Agriculture, Forestry and Fisheries in his Budget Vote said investments in research and development continue to yield good results for market access.



"I am happy to report that in February this year, the Agricultural Research Council launched a new table grape, "Joybells" at the World's largest fruit exhibition in Berlin. This table grape variety was well received by producers and fruit traders in the global market. Already, more than fifty-thousand cartons of Joybells were sold across Europe and the UK.

Producers and exporters from South Africa are expanding sales into other world markets. At least 200 hectares, and expanding, have been planted in South Africa to produce this table grape variety," Zokwana said.

Exploring new markets

South Africa's agriculture exports increased to R127.85 billion in 2017 from R112.07 billion in 2016, boosted by growth in edible fruits, beverages, spirits as well as prepared fruits, vegetables and nuts.

Imports of agriculture products increased by 21% in 2016, from R76.10 billion in 2015 to R91.81 billion. The import value of agriculture products decreased by 5% to R 86.93 billion in 2017, led by processed products such as prepared foods, meat, sugar and beverages.

According to Minister Senzeni Zokwana of the Department of Agriculture, Forestry and Fisheries, South African agriculture products continue to benefit from the Tripartite Free Trade Area agreement of the Southern African Development Community, Common Market for Eastern and Southern Africa and the East African Community.

"As we open these markets it will be our concerted effort to be deliberate in ensuring the participation of the historically disadvantaged producers," the Minister said.



Hortgro book donation

Athlone North Primary recently lost their library during a devastating fire. The Help a South African School project (part of Hortgro's market development campaign in the UK) sponsored two bakkie loads of books to help re-establish this vital part of the school's infrastructure.

Books are very important for learners to gain new knowledge, skills and dispositions for learning and personal development that they will use throughout their lives. Thank you to Wayne Smit from the Western Cape Educational Department (Metro Central Education District) for informing us of their need and helping us distribute the books.



Book donation

Market Access: Fruit SA China visit

China remains one of the sought after markets for growers and exporters. A Fruit SA delegation recently engaged Chinese authorities on amongst others the finalisation of the market access protocol for South African pears and the amendment of the current citrus protocol.

Ms Bongiwe Njobe, chairperson of Fruit SA, Ms Vangile Titi-Msumza of the Fruit SA board and Dr Mono Mashaba, Fruit SA Market Specialist visited China in March for engagement with both government agencies and other stakeholders on market access related matters.

During the visit to China, the delegation they met the SA's Ambassador to China Ms Msimang, and various high-level stakeholders and well as importers to discuss matters that are related to the broadening of market access for South African fruit.



Destroyed school building

Relationship development

"In these engagements, there was consensus in the need to fast track the finalisation of the market access protocol for South African pears and also the amendment of the current citrus protocol to include bulk reefer shipments and also a special dispensation on the condition for importation of lemons," Mashaba explained.

Stakeholders and government agencies committed to work with Fruit SA to ensure the speedy resolution of these matters and the bilateral sanitary and phytosanitary engagements that need to be undertaken by the Department of Agriculture, Forestry and Fisheries and AQSIQ to conclude the negotiations.

The Fruit SA delegation also met Chinese importers at the Xinfadi Market in Beijing who urged Fruit SA to consider undertaking awareness campaign and to develop trust between South African exporters and Chinese importers.



Jobs Fund support for EC fruit

To drive the expansion of fruit development, the Eastern Cape Rural Development and Agrarian Reform (ECDAR), says it has joined forces with the Jobs Fund to establish about 316 hectares of deciduous fruit over the four years which will create more than 300 jobs.

"Part of the transformation program is to expand hectares under commercial production in Misgund Small Farmers Trust, Tulpieskraal Workers Trust and JD Rovon farms. The aim is to help the farmers increase their yield and profits from apples, pears, plums to local and international markets," said Mvusiwekhaya Sicwetsha of ECDAR.

About 49% of the deciduous fruit produced by Eastern Cape farmers is exported, whilst 18% is sold locally and 34% is processed into various products. The province, says it has 6 411 hectares of land under deciduous fruit production, however only 4% of it is under black ownership.

According to the Department the province's deciduous fruit sector contributes about 8% to the national deciduous fruit revenue which amounts to more than R1 billion per annum.



India market access

In April, Fruit SA paid a visit to the South African High Commissioner to India, Dr Hlamalani Manzini. The purpose of the meeting was to brief the High Commissioner about phytosanitary issues of concern that are impacting negatively on fruit trade with India.

The visit aimed to request the support of the High Commissioner to continue playing an active role in facilitating the resolution on critical matters of concern. Fruit SA expressed its concern about the high tariffs brought to the attention of the High Commissioner as a matter that needed serious attention.

Dr Manzini indicated that her office will work closely with the Department of Agriculture, Forestry and Fisheries' (DAFF) and Fruit SA to ensure that matters of concern are resolved.

The visit to New Delhi and Mumbai, entailed bilateral engagements on market access and participation at the Fresh Produce India Trade Show and Conference.

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Fruit SA team visiting Dr Manzini

"The High Commissioner advised us to continue to engage the Department of Trade and Industry (DTI) to ensure that our negotiations with India address the relevant concerns with regards to tariffs," explains Dr Mono Mashaba of Fruit SA.

Anton Kruger, CEO of the Fresh Produce Exporters' Forum (FPEF) during the trip met with the President and Deputy Secretary of the Indian Importers' Chambers of Commerce and Industry (IICCI). The IICCI have access to senior decision-makers in the Indian Government and plays an influential role in policy advocacy and decisions commercial aspects.

The meeting presented South Africa with an opportunity to share information about the local fresh produce export industry.

Welcome back!

Vuyo Gxotiwe, Industry Affairs Manager is back at the office after a maternity break.

She is the proud mom of a baby girl, Oarona, who was born on 21st of February 2018.



Agriculture

is the **most**
healthful, most useful
and most noble employ-
ment of humankind.

- George Washington



Dr Konanani Liphadzi

CEO's note

Fruit SA values partnerships

Against the realities of limited government or private sector resources, I am fully convinced that public-private partnerships (PPP) is the only way we can achieve meaningful and inclusive economic growth in our industry (and the rest of the agricultural sector).

Both the public and private sectors have their unique advantages and competencies; and these characteristics can be significantly amplified if working together in some form of strategic partnerships. According to the Food and Agriculture Organization, 'Agri-PPPs offer a number of potential benefits deriving from the combination of the operational and economic efficiency typical of the private sector with the public sector's role as the creator of an enabling environment and regulator to ensure that social interests are considered'.

The MOU between the Deciduous Fruit Development Chamber (DFDC) and the Eastern Cape Rural Development and Agrarian Reform is a great step in the right direction. The envisioned expansion of deciduous fruit production in the land reform farms will happen in a more conducive environment with support from both government and the deciduous fruit industry, with a higher probability of success. Furthermore, the involvement of the private sector stakeholders in the project may also serve as a form of de-risking the project which may attract more investment.

The rollout of the Jobs Fund initiative in the Western Cape Province is another example of a successful partnership between Hortgro, Western Cape Department of Agriculture and Jobs Fund which availed R120 million for the commercialization of smallholders.

The overall lesson is that together we can do more and have a greater impact.