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Newsletter | May/June 2021

In the spirit of Youth Month, it's only fitting to send a heartfelt shout-out to the youth!

In this vein, I reiterate the industry's commitment to the strategic goal of integrating the youth into this dynamic arena. With the average age of the South African farmer being over 60, it's important to note the myriad of qualities the youth can add to the economic success of the industry. And, blended with the vital experience already present, their addition is set to transform the fruit industry into even more of a powerhouse.

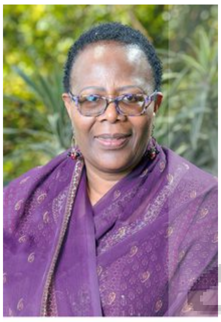
We're proud of the progress made in the different sectors within the fruit industry to not only attract young minds, but to put their innovative ideas to good use.

On the logistics front, the industry was buoyed by President Ramaphosa's visit to the Durban port during April. We elaborate more on developments in this area, in a separate insert in this edition.

Adding to the high spirits, the table grape industry has had much to celebrate since the last edition. They had a total intake of 71,8 million cartons around the time of writing. And with the financial support of the Western Cape Department of Agriculture and the Fresh Produce Exporters Forum, the sector launched their China Market Development Campaign in April. The latter is indicative of the growing economic relevance of the Chinese market.

And as we near the middle of 2021, I wish everyone well in their much valued efforts to continue the growth of this dynamic industry.

Leadership



Pictured: *Vangile Titi-Msumza, Fruit SA Chairperson*

Fruit SA welcomes new chairperson

Newly-appointed Fruit SA chairperson Vangile Titi-Msumza is settling well into her new role, and is raring to go. She shared her perspectives in a compelling one-on-one conversation.

How do you define your role?

I see my role as working in cooperation with other board members and the Fruit SA CEO, to drive the organisational agenda for the benefit of all represented associations, as well as the South African public.

What are the top three lessons SA's fruit industry has learnt against the backdrop of the world having been ill-equipped to navigate a pandemic like COVID-19?

Regarding the global lessons learnt around preparedness for a pandemic, the fruit industry has discovered its capacity to turn challenges into opportunities; its resilience, given its stellar performance under very difficult export market conditions; and that working together in partnership to address problems is key.

How does R&D (research and development) feature in the fruit industry's plan for post-COVID resilience?

The fruit industry puts a lot of emphasis and resources into R&D, as one of the main drivers for market access. Currently, the EU countries are looking at the impact of their food systems (farm to fork) on the global environment. This means that by extension, they will also be looking at the food systems of their trade partners. Therefore, the fruit industry's ability to respond to changing global food safety standards will become a critical research agenda going forward.

Maintaining close ties with government counts amongst the fruit industry's top three strategic focuses (alongside market access and transformation). How has the industry maximised this critical alliance to drive market access for far-reaching economic growth?

The first thing that the industry has done was to recognise that its strength lay in being aligned, in order to approach government as one coherent voice. Secondly, the industry continues to engage government on the basis of common goals, namely inclusive economic growth, employment and poverty alleviation. One of the critical factors in driving market access is logistics and thanks to established common goals, the industry is able to engage and work with government to resolve these challenges.

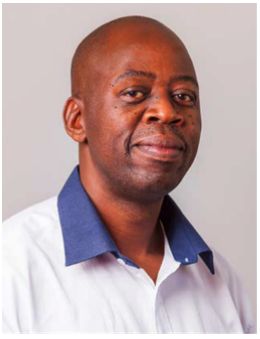
Transformation has been diluted by a culture of baseless box-ticking in various economic sectors. What do you think distinguishes SA's fruit industry in this regard?

The fruit industry takes transformation very seriously, as the notion of inclusive economic growth and employment hinges on it. Also, the industry's transformation strategy is robust with clearly defined outcomes.

What are non-negotiable for you in your role as Fruit SA chairperson?

Ethics and integrity.

Market access



Pictured: *Mono Mashaba, Market Development Specialist*

BRICS agricultural development and trade cooperation

The burning question amongst growers and exporters is, “Why, despite SA being a member of BRICS (Brazil, Russia, India, China and SA) are there no tangible benefits regarding market access?”

After each BRICS Summit, it is the responsibility of each attending president and minister to actively follow up on commitments made bilaterally, in order to achieve tangible results.

When SA became a member of BRICS in 2010, there was a lot of expectation that the economic goals of the country would be realised – at least in part. The block holds significant economic potential, representing 42% of the global population, 23% of global GDP, 45% of global agriculture and 18% of global trade. And since 2001, the BRICS countries have generated about 30% of global economic growth.

Here’s why some of the fruit industry’s BRICS related market access expectations – especially regarding trade with India and China – haven’t been realised.

When the first Agriculture Action Plan 2012 - 2016 of BRICS was developed and adopted, agreeing on a plan that was satisfactory to everyone was very difficult.

China, India and Russia were adamant that agricultural trade cooperation excludes issues that relate to tariffs and non-tariff barriers, cooperating only in terms of market promotions and information sharing. Although a compromise was reached regarding trade and investment promotion, and trade facilitation, it didn’t translate into any action to increase the value of SA’s agricultural trade with the rest of the countries in the block.

However, the BRICS Agriculture Action Plan 2017 - 2020 adopted in Brazil was, for the first time, more explicit on issues that related to trade facilitation.

Fruit SA will continue its participation in the BRICS Business Council, using the platform to lobby with colleagues from other countries for the issues relating to creating a favourable environment for market access. This is facilitated through its affiliation with the Agribusiness Working Group of the SA BRICS Business Council.

Strengthening ties with SA’s government continues to be a top strategic priority for the fruit industry. Therefore, Fruit SA continues to liaise closely with DALRRD (Department of Agriculture, Land Reform and Rural Development) to ensure the implementation of commitments made at the BRICS Summit by targeting those countries in the block where SA seeks favourable terms of trade.

Transformation

Excellence Award for Subtrop coordinators in the Vhembe region

Pictured: *Stephen Mantsho (Subtrop), right, with the Vhembe region Subtrop coordinators*

The Subtrop coordinators for the Limpopo Department of Agriculture and Rural Development (LDARD) have proven themselves to be the best in terms of delivery. For years the team has been working closely with Subtrop to make a meaningful contribution for emerging growers in the Vhembe region. This award recognises the exceptional service delivered, and is a feather in the caps of both the Vhembe Subtrop coordinators and Subtrop itself.

The team of 11 LDARD officials, led by Namadzavho Sikhipha, won two Limpopo Province Premier's Excellence Awards: Best Service Delivery Team of the Year, and Best Implemented Project of the Year.

Subtrop and LDARD have signed an MoU (memorandum of understanding) to work together to empower emerging growers via government extension services, with training and provision of technical expertise by Subtrop. This collaboration has resulted in about 50 growers making significant progress towards becoming fully commercial farmers. Additionally, eight emerging growers have been assisted to gain Global GAP certification.

The awards are a great motivation to the team. They also present the challenge to move to the next level in assisting emerging growers in becoming fully commercial growers. Thereby making a significant contribution to job creation and the economy.

CGA Grower Development Company

CGA-GDC shows sustainable emerging farmer support

Pictured from left: *Fezeka Ntabeni and Ndumiso Mazibuko (both NAMC), Zamazima Njili (Extension Officer, CGA-GDC), Rudolph Abercrombie (Secretariat, AgriBEE Charter Council), Ndivhuho Phungo (Vice Chairperson, AgriBEE Charter Council), Lukhanyo Nkombisa (CEO, CGA-GDC), Vangile Titi-Msuza (Chairperson, Fruit SA board), Zukile Mgadle (owner of Ripplemead Farm), Margaret Mohapi (Chairperson, AgriBEE Charter Council), Modipadi Setumo (Industry Affairs Manager, Fruit SA)*

When it comes to driving transformation and inclusivity, NAMC (National Agricultural Marketing Council) and the Agri BEE Charter Council are amongst Fruit SA's major stakeholders.

Fruit SA, in collaboration with the CGA-GDC (Citrus Growers' Association Grower Development Company) recently organised a visit to two of the Eastern Cape farms that have received assistance from the latter: Ripplemead and Oakdene. It was gratifying to see how these two farms have progressed. In attendance were representatives from the AgriBEE Charter Council, NAMC, Fruit SA and the CGA-GDC.

Lukhanyo Nkombisa, CGA-GDC General Manager, gave a brief overview around the supportive role of the CGA-GCD within both farms. Such support includes facilitation of title deed acquisition, funding, extension services and business support.

Members of the Agri BEE Charter Council applauded the CGA-GDC for its work, despite overall challenges and the slow release of government funds. They have also pledged their support to assist in resolving some of the challenges faced by the farmers.

Modipadi Setumo presented Fruit SA’s transformation strategy and the annual review, highlighting initiatives and work done by other member associations. The AgriBEE Charter Council representatives expressed their interest in supporting the Fruit SA strategy through closer collaboration.

The CGA-GDC will continue facilitating a turnaround strategy for Ripplemead Packhouse, as well as supporting Riplplemead Farm.

Ports

The need for foreign earnings and an uptick in employment loom large for SA, and certainly for the fruit industry.

Therefore, a visit in April by President Ramaphosa to the Durban port, accompanied by some ministers, sparked new hope for the fruit industry.

With a significantly increased citrus crop, there has never been a better time for tightened collaboration between Transnet and the fruit industry. Looking at the numbers at the time of writing, 1.1 million pallets of citrus were destined for the Durban port (for all of SA's ports the total clocks 2.1 million). The approximate 162 million cartons (15 kg equivalent) of the citrus export crop will require 95 000 containers FEU (forty-foot equivalent unit). For the deciduous and subtropical fruit industries, 28 000 FEU will be required, bringing the total FEU requirement up until October to 123 000.

Hearteningly, Transnet has augmented reefer plug capacity at all terminals, with dedicated power supply and reliable back-up systems throughout. And the CGA (Citrus Growers’ Association) has even set up a technical helpdesk, for streamlining.

Transnet Ports Authority has also agreed to issue skipper licences for a barge system, which will expedite the transport of containers from deep-sea vessels for prepping (a barge is a draft, flat-bottomed boat used to transport bulk goods).

Progress has also been made with regard to increased rail transport to alleviate the demand on road transport.

Industry concerns do however remain when it comes to container availability at the Durban port during the great peak of late navels, late mandarins and Valencias converging, as was the case in 2020. But overall, the industry looks forward to continuing to work closely with Transnet for all-round economic benefit.

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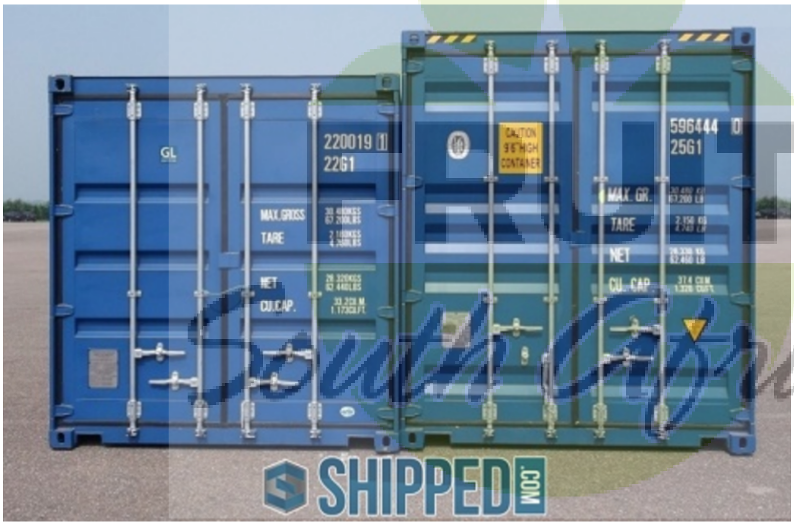
fpef fresh produce EXPORTERS' FORUM SOUTH AFRICA

Fresh Produce Exporters' Forum (FPEF) – high cube container use



Pictured: *Standard container left, and a high-cube container. Picture supplied by Mike Walwyn.*

The Road Traffic Act and Moratorium on the use of high-cube containers has again been elevated to ministerial level, for actioning by the ministers of transport; dtic (trade, industry and competition); and DALRRD (agriculture, land reform and rural development).

The high-cube restriction and certain aspects of the APA (Agricultural Produce Agents) Amendment Bill have far-reaching economic implications on the industry, including limitations around taking advantage of the AfCFTA (Africa Continental Free Trade Agreement) – an area in which government continues to encourage more industry participation.

The urgent need for extension of the moratorium follows government's branding of hi-cube containers as unstable and causing damage to bridges. Government requests the use of standard boxes with a maximum height of 4.3 meters as a replacement. The problem is, standard boxes are no longer being manufactured anywhere in the world, as high-cube containers comprise 75% of worldwide container cargo. Also, hi-cube containers have a larger volume than standard boxes, allowing for more freight to be transported during a single trip – saving costs and conserving the environment.

Meaningful collaboration with government is critical – for the fruit industry and the broader SA. Therefore, the industry continues to work with government in an attempt to resolve this issue.

Hortgro – attracting young minds

Pictured from left: *Mtho Sishuba, Chad van Wyk, Tristan Dorfling and Anika Kock*

In keeping with Youth Month, it's heartening for the fruit industry to note the rising number in young people coming into the proverbial fold.

Tristan Dorfling (28) from Durbanville, Anika Kock (24) from Belville, Mthokozisi "Mtho" Sishuba (29) from the Eastern Cape, and Chad van Wyk (27) from Cape Town were keen to share their experience with Hortgro.

Mtho has been appointed as an intern at Provar, while Tristan, Anika, and Chad are horticulture students studying towards their master's degree at Stellenbosch University (SU). They are all currently working on an industry-funded project about fruit-type adaptability under the watchful, experienced eyes of Dr Iwan Labuschagné from Provar and Dr Esmé Louw from the Department of Horticultural Science, SU.

These enthusiastic young people who all enjoy their respective roles within the industry, stated varying reasons for joining the agricultural sector. They range from a love for growing things to being enlightened through study, a chance paradigm shift, and a pull towards topics like food security and safe food production.

As for the future of agriculture, they see a need for maximising big data, a stronger focus on research and depoliticising agriculture, more use of the applied sciences for optimal output, and realisation of the critical role of the youth in the future of agriculture.

On the topic of climate change, the group is in unison about the fact that it’s a shared challenge that can only be tackled effectively through meaningful collaboration that demonstrates a warranted high regard for science.

Berries ZA – continued growth and industry communication

Joining the theme of unbridled overall industry growth, the berries industry has clocked 1 388 and 370 tonnes in export for raspberries (up from 1 221) and blackberries (up from 118) respectively.

The overall berries export forecast is 25 000 tonnes (up 63% from last season), with a production estimate of 36 000 tonnes. The final production total for raspberries will be available in July.

And in an effort to keep the communication lines open, at the time of writing Berries ZA had started a roadshow that covers Cape Town (where 50 growers had attended), White River, Tzaneen, Naboomspruit and Mooinooi.

The main goal of these roadshows is to introduce Berries ZA to the growers, explain the purpose of the organisation, and to hear from the growers where support is needed.

This will culminate in a technical symposium on 28 May, with eight speakers and various exhibitions and sponsors. The roadshows present a great opportunity for growers to network with delegates whom they wouldn’t ordinarily have access to.

HORTGRO Growing Fruit IQ

SATI South African Table Grape Industry

subtrop SA Subtropical Growers' Association