

Dear FPEF Members,



We hope you enjoyed the festive season, including our table grape and stone fruit exporters who had to continue with exporting.

This year will again pose some challenges, but as always we remain optimistic that solutions will be found. On the **logistics** front it seems that the positive changes which started in 2024 will continue; especially since Transnet is now accepting the industry's offers for assistance. A recent example is the contracting of service providers by the industry, to supply additional plug points and generators in the Port of Cape Town.

We foresee that the agricultural value chain will feature prominently in the **G20** and **B20** (Business) Conferences which will be hosted by South Africa. Through our Agbiz membership, we will ensure that our industry receives the necessary attention.

This focus will be necessary in light of some international developments, such as the EU's Green Deal and **rising protectionism** in global agriculture, especially the EU which is still our biggest export destination. The issue of the **high import duties** on our fresh produce exports to the markets in the Far East and Asia remains a concern and we will continue with our efforts and support to the relevant South African government departments to negotiate the much needed trade agreements.

We remain involved with the **Agricultural Master Plan** as this is an instrument to address issues such as market access, trade agreements, market development and infrastructure.

Recent developments in the Regulatory area include the implementation of the **Employment Equity (EE) Amendment Act**, No. 4 of 2022, which came into effect on January 1, 2025. The EE Amendment Act adjusted the threshold for companies. It moved from a turn-over threshold towards an employee threshold. The targets only apply to companies with more than 50 employees and such businesses are no longer bound to comply with Chapter III of the Employment Equity Act, 1998 (EEA) - for example in relation to the submission of their EE reports starting from the 2025 EE Reporting period.

More detail on developments during the past three weeks are contained in the remainder of this first edition of our newsletter for 2025.



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MEMBERSHIP CERTIFICATES



Members (especially new members who have not received certificates before) are welcome to request a **FPEF membership certificate** from claudia@fpef.co.za. The certificate will be provided digitally, allowing you to print and frame it as desired.

MARKETING AND PROMOTIONS

Fruit Logistica Berlin 2025

Fruit Logistica Berlin takes place from **5 to 7 February 2025** at the Messe Berlin. The National Pavilion is funded by the Department of Trade, Industry and Competition **(dtic)** and there will be tables available on a first come first served basis.

Stand number: Hall 26 Stand H-53

To obtain a discounted trade visitor ticket rate redeem the voucher code: frulog25_AV_SW_50_271 in the regular FRUIT



LOGISTICA ticket shop here (https://www.fruitlogistica.com/en/trade-visitors/tickets/). Please enter the voucher code and then click **REDEEM** (not BUY) to get the reduced ticket price.

Workshop at Fruit Logistica Berlin 2025: Navigating Sustainability and Compliance in South African Agriculture

You are invited to a 2-hour session organised by Fruit South Africa and SIZA on how we *Navigate Sustainability and Compliance in the South African Agriculture supply chain* on **6 February 2025** from **12:00** - **14:00**.

Venue: Hub 27, Room Beta 5 – Messe Berlin

To register please find email sent on Thursday 9 January from Marletta Kellerman. For more information please contact **Retha Louw** - retha@siza.co.za

TRANSFORMATION

<u>Transformation – High-calibre candidates available through the FPEF's Graduate Placement Programme</u>

The FPEF's Graduate Placement Programme facilitates the placement of talented young graduates in member companies in commercial, logistics and post-harvest quality management positions to further transformation in the industry. The FPEF provides recruitment services free of charge through our service provider Agrijob and makes a monthly salary contribution of R6,000 per graduate for the first 12 months (T&C's apply). Agrijob has a database of strong candidates available through their strong relationship with top universities and their online jobs portal. To find out more or enquire about appointing a graduate contact Johannes Brand johannes@fpef.co.za.



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LOGISTICS & OPERATIONS

The deciduous season

The deciduous industry gave a collective sigh of relief when the International Longshoremen Association (ILA) and the United States Maritime Alliance, Ltd. (USMX) reached a tentative agreement last week that prevented work stoppages at United States East Coast ports. The agreement must still be ratified, and the existing agreement will remain in place until such time.





Locally the deciduous season is off to a very good start, with 137 hours less wind in December compared to the same time last year. This equated to 1284 additional reefers through CTCT gates for the December calendar period. Productivity in week 1 reached GCH16, well above 3023 week 1GCH of 9. The terminal operating over the festive season added 72 productive hours and truck turn times over the past week averaged 20 minutes and peaked at 30 minutes.

Rail network statement

With the first network statement published, what are the next steps? The first round of applications will close on the



Moche Motlohi, Acting Chief Executive Officer, Transnet Infrastructure Manager (TRIM)

7th of February followed by a 60-day adjudication period, after which the preferred bidders will be announced. Minister Creecy indicated last year that the initial round would be limited to five corridors consisting of four mineral and one container. The capacity on offer is based on the state of the Network that has major maintenance backlogs, hence the more cautious approach. The non-refundable application fee of R125 000 to participate in the inaugural bidding process, encourage serious bids that has the potential to make it to contracting.

It is estimated that 65 million rand is needed to upgrade and repair infrastructure, signalling and security to meet increased volume targets. The network statement will be updated yearly on the first of April.

Special union meetings

Cape Town Container and Multi-purpose terminals will have special union engagement sessions this month. It will form part of a series of consultations ahead of the upcoming wage negotiation process. The previous negotiations took place in 2022 that resulted in a strike, despite port users agreeing to pay an increased terminal handling charge to prevent a strike.



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Table Grape Exports to Bilateral and Protocol Markets

We are currently monitoring the "special market" table grape exports for this season and have observed a rise in the number of USA market exports in comparison to the previous season and this season, year-to-date exports. In the past few weeks, we have also observed a rise in the number of "first-time" exporters to the United States.

On 15 January (today), the number of phytosanitary inspections scheduled for the various markets, is as follows:

USA: 21ISRAEL: 17VIETNAM: 16

While some of these exporters may be acquainted with the administrative aspects of USDA inspections, others may require guidance. "First time" exporters to the USA, please contact the USDA-APHIS representative, dirk.j.smit@usda.gov, for administrative information and guidance on the process. Please take note of the administrative cost involved for participating in the USA programme, managed by industry (SATI). An inspection cost per carton will be levied on all exports to the USA market.

In terms of exports to China, the approved PUCs/PHCs database for exports to China, is still outstanding. It is permissible to export to China based on the 2023/2024 approved database. DALRRD is in the process of requesting feedback from the General Administration of Customs of the People's Republic of China.

G20 Summit Hosted by South Africa



The fruit and broader agricultural industry have a pivotal role to play contributing towards the South African Presidency hosting a successful G20 Summit. Leaders from the world's twenty largest economies comes together, representing 85% of global Gross Domestic Product, over 75% of international trade, and about two-thirds of the world population.

We are considering identifying and making use of the opportunity to participate in significant events in the lead-up to the G20 summit in Johannesburg on November 22-23, 2025.

G20
SOUTH AFRICA 2025

In South Africa, agriculture continues to be one of the critical sectors that contributes to the GNU's three primary objectives:

- economic growth,
- job creation, and
- poverty elevation & inclusion.

On a global scale, it is essential that South Africa and South African agriculture capitalize on the opportunity of hosting the G20 summit. We must also leverage from (agricultural) exports to meet the Western Cape government's strategic objective of a trillion-rand inclusive economy (in real terms) by 2035 and growing at between 4% and 6% per annum.

Industry associations, such as the FPEF, will play a critical part towards supporting government on similar platforms. We are considering aligning with other stakeholders such as Wesgro, on specific events, programs, and missions in 2025. It is important to identify how the industry can effectively provide support to government.

Until next time, Anton Kruger



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