



KEEPING IT FRESH **fpef** fresh produce EXPORTERS' FORUM SOUTH AFRICA

News from the FPEF – 17 August 2022

Dear FPEF Members,

If you have not diarised the **17th of November** for the **FPEF AGM**, you will miss the opportunity to get first-hand information about the country's electrical power situation as our guest speaker will be the **CEO of ESKOM, Mr André de Ruyter**.



As usual **the FPEF Board** will also be **elected at the AGM** - and you can start thinking about who you want to represent you.



As was mentioned in previous newsletters - our industry's resilience is really being tested this year. One of the recent challenges was the blocking of containers with oranges in EU ports. We were grateful when we learnt that the South African government successfully negotiated a settlement with the European Union to clear **citrus blocked in EU ports**. The EU introduced new measures to regulate risk associated with False Codling Moth (FCM) on citrus fruit. The new measures include amended additional phytosanitary declarations for grapefruit and soft citrus and revised cold treatment regime for oranges. Over 2 000 containers, at an estimated value of R500 million, were affected by this blockage.

Engagements with Transnet are ongoing at various levels to address the **ports issues**. A piece of good news on this came to the fore a few days ago when Transnet announced the good response on their *Request for Information (RFI)* regarding private sector participation in the Durban Pier 2 and Ngqura Container Terminals (DCT2 and NCT).

The intention is to create a 25-year special purpose vehicle (SPV) between Transnet Port Terminals (TPT) and the winning bidders, and therefore no disposal or sale of the asset. After 25 years the terminals would revert fully to TPT. Transnet will issue Request for Proposals (RFPs) to the shortlisted respondents from the Request for Qualifications process, which is the third phase in the process to upgrade the two terminals. The shortlisted companies – ten (10) for Durban Pier 2 and four (4) for Ngqura – will have until December 2022 to submit their proposals for adjudication. The shortlisting is subject to a due diligence process to be undertaken by Transnet.



Market Access

Government Engagement

Export process assistance

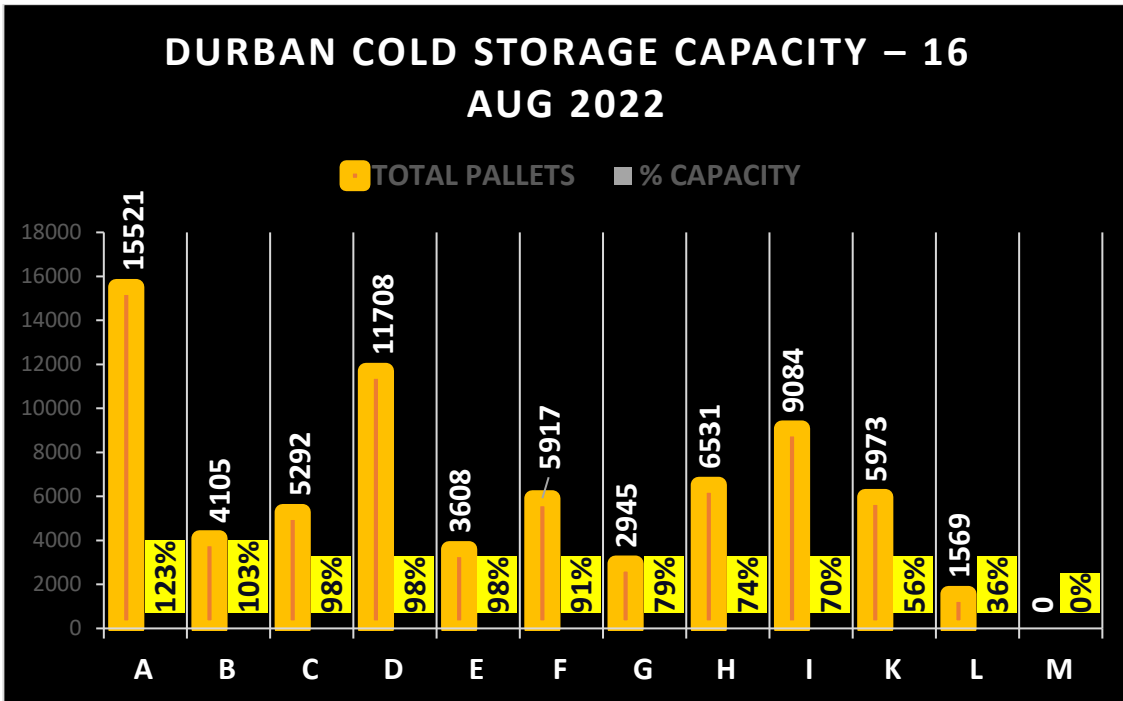
Provide Information

Transformation

Research, Development and Innovation

Port Matters

Rail repairs on the link between Durban and Cato ridge is still on track to be completed by the 17th of September based on a recent assessment. A progress update on the Balgowan derailment is expected by the end of the week. The Helicopter in Durban has a challenge with the hoist and is undergoing repairs. The booking slot review process is now every 8 hours and industry will engage with the port as more frequent slot reviews are preferred. Cold store capacity in Durban is at exceptionally high levels. Statistics provided by PPECB.



The second set of shore tensioners are ready to load and expected to arrive in Cape town on the 17th of September but subject to vessel arrival. At Cape Town MPT F Berth will be repaired and during construction, vessels will be moved to G berth.

South African pears exported to China

You would recall that South Africa gained market access for pears exported to China. Regrettably, the process involved technical packaging compliance measures not usually the case to export our pome fruit to China. As a result, 4 container trial shipments of pears with gauze pallet shrouds were exported, containing the relevant gauze stickers. On successful arrival and approval from the Chinese authorities, industry will ship another 3 trial shipments. The FPEF will notify all members should the trial shipments be exported successfully and approved by the Chinese authorities.

Pome fruit exported to Africa

The FPEF had a very successful meeting with the DIRCO in Cameroon, establishing the official regulation and guidelines for exporting pome fruit to this market. Similarly, the same cumbersome inspection process was required for exports to Kenya. The FPEF briefed DIRCO on the situation, prior to DIRCO meeting with the Cameroon authorities.

DIRCO compiled a complete report back to the FPEF highlighting the relevant Decree required to export South African pome fruit to Cameroon.

Industry (FPEF & HORTGRO) have a scheduled meeting tomorrow, with DALRRD: FSQA and PPECB to determine the way forward.



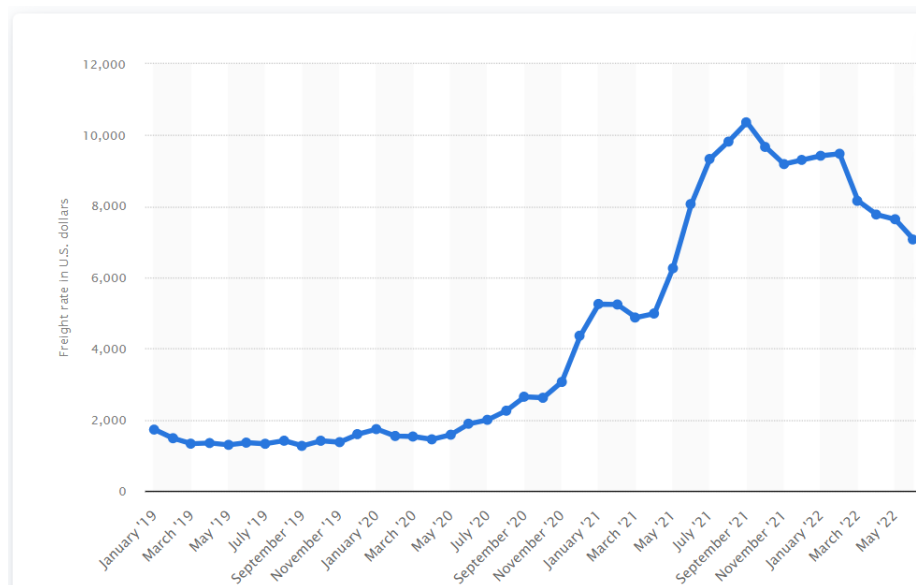
Market Access
Provide Information

Government Engagement
Transformation

Export process assistance
Research, Development and Innovation

International Shipping

Since March, the declining trend showed by the global container freight rate, can be attributed to the declining dry cargo freight rate. However, reefer container freight rates are still at a higher price index due to pricing recovery on the East-West trade routes. Reefer container freight rates is estimated to continue on the higher price trajectory, for the upcoming quarters of 2022.



Global container freight rate index from January 2019 to June 2022 (in US Dollars)

Source: Statista

As Drewery correctly reported, that the increase in reefer freight prices has not been consistent across all markets. On the major East-West routes, where vessel capacity circumstances have been notably constrained, the price rebound has been especially robust. On export routes from WCSA, Central America, and Southern Africa, however, North-South transactions have seen relatively less price rise.

MARKETING AND PROMOTIONS

Fruit Logistica Berlin 2023

The dtic extends an invitation to exporters of fresh fruit and vegetable products to apply to participate in the Fruit Logistica Berlin 2023 exhibition, scheduled to take place from 08-10 February 2023 in Germany, Berlin. The deadline date for the submission of complete National Pavilion application forms is **08 September 2022**.

For any enquiries pertaining to applications please contact DNyalunga@thedtic.gov.za or VMbuyisa@thedtic.gov.za. Applications should be emailed to the same email addresses.

Fruit Attraction Madrid 2022

Fruit Attraction will be held in Madrid from 4 to 6 October 2022. The industry will organise and fund a South African pavilion. The stand will work on the same principle as Fruit Logistica Berlin 2022. For more information, please contact Marletta Kellerman – marletta@fpef.co.za

Foodex Japan 2023

The dtic extends an invitation to apply to participate in the National Pavilion FOODEX 2023, scheduled to take place from 7 – 10 March, in Tokyo, Japan. The National Pavilion forms part of the dtic’s objective to create and identify export markets for South African value-added products and services in Asia. The deadline date for the submission of complete National Pavilion application forms is **08 October 2022**.

For any enquiries pertaining to applications please contact Ms Dimakatso Magolego - Tel: 012 3945476 - E-mail: DRMagolego@thedtic.gov.za or Ms Valentine Naidoo - Tel: 012 3943919 - E-mail: VMNaidoo@thedtic.gov.za. Applications should be emailed to the same email addresses.

FPEF ANNUAL TRANSFORMATION WEBINAR

Reminder: FPEF Annual Transformation Webinar; Thursday 15 September, 10:00 – 12:00;
RSVP – johannes@fpef.co.za.

We invite executives and decision makers to join us for the FPEF’s annual transformation webinar where our aim is to inspire and equip you towards leading effective transformation in your business.

Dr Mathews Phosa will serve as our key-note speaker. He is an attorney by profession and a leading figure in South Africa’s business and political world. He was one of four ANC members to be sent back to South Africa in 1990 to start the negotiation process with the former government, whereafter he played a prominent role in the process to establish a peaceful transition to a fully democratic South Africa. Dr Phosa was appointed as the first Premier of Mpumalanga Province in 1994 by the late President, Mr Nelson Mandela and served as the Treasurer-General of the ANC.

Commercially Dr Phosa sits on a number of listed company boards – Value Group, Jubilee Platinum, Renaissance Capital and Bauba Resources. As well as a number of unlisted entities – Hans Merensky Holdings (who have the largest avocado growing footprint in the world), Mathews Phosa & Associates, Frans Schutte & Mathews Phosa inc, M3P Mining and Phosa-Loots Inc Attorneys to name a few. He is also a trustee of the Afrikaans Handels Instituut (AHI).

Alongside Dr Phosa, we are pleased to announce **Ikarabele Legae** as our second speaker. He received a Top 200 Young South Africans award from the Mail and Guardian this year. He is currently a Junior Trader at the Lona Group. He comes from Soweto and has studied and worked in China where he learnt to speak Mandarin. The FPEF and a number of its members have supported Ikarabele in his journey since 2018 and he will be sharing some of his experiences and perspectives as an aspiring fruit exporter.

Ndumiso Hadebe has kindly agreed to serve as host for the webinar. He is the CEO of KH Research Equity Partners. He has extensive experience in the areas of strategy development, corporate governance, research, investment and trade promotion, facilitation, and aftercare. He is the season 2 winner of One Day Leader on SABC 1. He also serves on multiple boards including the Youth Advisory Council for the Gauteng Provincial Government. He chairs the sub-committee on Economic Transformation.

Kind regards

Anton Kruger