

# Newsletter

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## CEO's note

We are navigating an era where regular reflection has become the order of the day – with regard to the global economy, our country and, of course our industry.

Talking about reflection, I like that Agricultural Economist Wandile Sihlobo recommends using COVID-19 to identify reasons for lagged implementation of previously identified solutions, as well as a lack of overall effectiveness in executing plans that drive economic transformation. This can be found in his compelling summary of the Economic Transformation Committee of the ANC and Business for South Africa (B4SA)'s strategies for post-COVID-19 inclusive economic recovery for South Africa.

The COVID-19 pandemic has really tightened its grip on our economy, as businesses within various sectors battle to stay afloat amid lockdown regulations.

Budget cuts in the recent Budget Vote Speeches are but one example of this. With the allocation for the Department of Agriculture, Land Reform and Rural Development (DALRRD) being cut to R14.4 billion, the programmes that were the hardest hit are those that are integral to maintaining food security and achieving economic transformation (with a R1.89 billion cut).

As an industry, we are certainly not out of the woods as far as navigating the effects of the pandemic is concerned – economically, logistically and otherwise. But we're making notable strides to ensure that our industry continues to function as best it can under the circumstances.

And our unity and focussed determination bring great encouragement, as to what can still be achieved and overcome. I am so proud to be a part of this dynamic industry!

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## Benevolence in the fruit industry

Giving recognition where it's due is generally underrated.

In that vein, it's certainly fitting to express absolute gratitude and admiration for our growers and other industry stakeholders who've made a concerted effort to help feed the vulnerable in various communities (and they continue to do so).

Whether to give back to the very communities that they had once been a part of, or to simply respond to a humanitarian obligation, these industry champions have joined forces to bring much needed relief and hope to those in need. With some partnering with organisations like Gift of the Givers and Food Forward, and others initiating in their personal capacity, several tonnes of fruit, vegetables and other essential food items have been distributed. This includes various growers in the deciduous fruit, citrus and table grape industries, and so many other unsung heroes who've remained under the radar whilst simply getting on with it.

These are the kind of stories that we need to amplify and hear more about in our industry. Unfortunately, attempting to cite every initiative would be quite a feat.

So, if you've been a part of bringing hope and sustenance to anyone during these trying times (even in the smallest of ways), know that you've made a significant impact, and that we as an industry salute you.

### SIZA

#### **Women and gender equality in SA agri careers**



Against the backdrop of a growing narrative of gender equality, SIZA and the Western Cape Department of Agriculture have collaborated on an exciting project: to glean insight into the representation and treatment of women, career-wise, within SA agri. Export markets have also queried this topic.

The project comprised a quantitative and qualitative research component, and used data from credible and academic sources, including the findings gathered from a survey distributed to various industries and organisations across SA. Interviews have also been conducted (mostly virtually) with relevant stakeholders within various industries.

The outcome provides stakeholders with a critical glimpse into women's representation and treatment in the sector, their degree of emancipation, and areas of improvement.

#### **Links:**

[Research paper](#)

[YouTube videos](#)

## Market access developments



**Mono Mashaba (Market Development Specialist)**

### **COVID-19**

Global crises have a way of introducing new opportunities to resolve seemingly insurmountable challenges; and the COVID-19 pandemic is no different. At Fruit SA, we continue to seek innovative ways to maximise this crisis, to help achieve our strategic objectives.

Our industry leadership, along with our growers, pickers and packers, inspection services, industry experts and exporters have all been instrumental in maintaining razor-sharp focus, especially during the critical stages 5 and 4 of the lockdown.

Industry and government continue to manage the crisis, in order to maintain (and hopefully) improve our position in the international arena. The sustained stability in our exports during the pandemic – relatively so – is largely due to ongoing support from government departments; as well as other agencies in the value chain that provide critical services for continued exports. And as for importing countries, we salute them for not closing their borders, or introducing changes that could hamper trade.

### **SHAFFE**

It is also encouraging that during 2019, total exports from the Southern Hemisphere Association of Fresh Fruit Exporters (SHAFFE) countries into key Asian markets grew by 13% to about 2.6 million tonnes, valued at US\$7.6 billion. Proudly, we are a part of this collective achievement. And the importance of China and Hong Kong in this region cannot be overstated, as they constitute about 67% of the total value of SHAFFE exports into Asia, at US\$5.2 billion. Prioritising the Asian region temperate fruit imports is certainly paying off, yielding continued growth.

The reduction in turnaround times in market access negotiations remains high on our radar, and we are hopeful that progress will be made so that we grow our share in these markets.





## Hortgro

*The Western Cape's top female farmer*



L-r: Yolande and Edward van Niekerk, and Marilyn Siegels  
Photo credit: Farmer's Weekly

In Women's Month, it's heartening to celebrate with Marilyn Siegels her accolade of Best Female Commercial Farmer in the Western Cape, awarded to her this year after just two years in the industry.

Protea Farm, where Siegels farms, exports between 60% and 70% of its fruit, and sells the rest locally for juicing. Apples and plums are cultivated on 17 ha of the 74 ha on this Elgin Valley farm. And their sustainability focus has necessitated replanting to get rid of trees that were no longer economically viable. But this inevitably resulted in reduced production – from 372 t of apples in 2018 to 253 t in 2019; and the plums also showed a downward trend. Siegels finds that apples' longer harvesting window makes them much easier to farm than plums.

But none of this has come easily for Siegels or her family. Acquiring Protea Farm, which trades under the auspices of the Nitaflor company, was a challenge that took her father nearly seven years to overcome. Today, the farm employs 24 permanent workers, with 30 to 60 additional employees working seasonally.

It's always heartening to see women like Marilyn Siegels charting their own course in the industry, especially since woman empowerment is an integral part of the fruit industry's transformation focus.

## CGA

*Proposed new CGA levy prioritises research and development*



The competitive relevance of the fruit industry and agriculture at large rests heavily on effective research and development (R&D). But it requires substantial investment.

Every four years the Citrus Growers' Association recalculates the mandatory levy. With the blessing of most of its 1,250 growers and 400 packhouses, an increase to the levy from 74c to R1,64 per 15 kg export carton next year, has been proposed. This represents a 120% increase to the levy, which is expected to bring in R1 billion over the next four years, as the industry continues its export oriented focus. This season has seen the export of more than 140 million cartons, an expected 13% increase from last year.

Subject to approval by the Minister of Agriculture, Land Reform and Rural Development, R155 million will be allocated to research and technological development – up from R56 million, which represents two thirds of the increase.

Citrus Growers' Association CEO Justin Chadwick has underscored the need for an increase in industry investment in research, to enable the industry to navigate future challenges. The higher levy will also serve the industry's economic and demographic inclusivity, which in turn, will ensure future competitiveness and sustainability. Industry transformation is the second largest item of expenditure, with an increased share of R44 million, up from R20 million.

The third largest share of the levy (8 to 10%) goes towards market access research and negotiations, which is critical for government's technical expertise, in order to negotiate wider market access in targeted international markets.

Chadwick has pointed out that the investment of the new levy is set to bear fruit for the industry for the next fifty years. What better way for the industry to address its challenges, and to maximise opportunities?

