Fruit SA newsletter March–April ’26

CEO’s note

As global players, we can have all the strategies and mitigations in place and still be profoundly blind-sided.

It’s the second quarter of the year and we are knee-deep in geopolitical shocks and related ramifications, on the back of prevailing local and other global challenges.

At 49, the Agbiz/IDC Agribusiness Confidence Index (ACI) is telling. This marks its lowest level since Q3 2024 and suggests that “South African agribusinesses are becoming somewhat pessimistic about business conditions in the country,” notes Agbiz. Indicators that are primarily linked to this outcome include conflict in the Middle East and related shocks, foot-and-mouth disease, and pricing issues in the international market.

On a positive note, we are still thrilled by the notable performance of horticulture and field crops that secured a 0.4% q-on-q GDP growth rate in Q4 2025, which culminated in 1.1% annual GDP growth that was boosted largely by the agriculture, forestry, and fishing sector.

And though the industry has been stymied by external factors, we have not been thrown off course. The GRO (gain, retain and optimise) strategy remains intact as the industry North Star, while Fruit SA continues to actively foster bilateral relations with targeted countries.

In fact, in March, I was pleased to have in-person meetings with Thai Ambassador H.E. Ekapool Poolpipat and Philippine Ambassador H.E. Macahilig. Beyond discussing fruit trade (including the arrival of the first shipment of South African table grapes in Manilla), these meetings are critical to further advance mutual interests and strengthen collaboration with embassies.

The South African pome-fruit and avocado seasons being in full swing, with certain citrus types getting underway, we wish our producers the tenacity and agility required to effectively navigate this demanding stage of fruit production.

Transformation

An evolving approach

The Fruit Industry Transformation Strategy was adopted in 2018. Since then, the operational environment has absorbed significant shocks, like the Covid-19 pandemic, ongoing geopolitical conflicts, policy and regulatory complexities, and significant disruptions to the export ecosystem.

With the 2038 deadline looming for specific strategic transformation outcomes, it has become increasingly important that relevant initiatives remain responsive, credible and aligned to the evolving operational realities that are facing the South African fruit industry.

As part of a broader industry effort to ensure that transformation initiatives remain responsive, credible, and aligned to the evolving operational realities of the industry, Fruit SA recently convened a strategy review session in this regard. The session brought together Fruit SA member associations, government departments, and financial institutions to assess the progress, effectiveness and relevance of the Fruit Industry Transformation Strategy that was adopted eight years ago.

The session reaffirmed the industry's collective commitment to driving meaningful, sustainable transformation, while acknowledging that the current approach requires refinement to remain credible, measurable, and aligned with evolving realities.

The importance of ensuring that transformation targets are realistic, evidence-based, and aligned with the operational and financial realities of the fruit industry was underscored.

The timeliness of this process aligns with the increased momentum regarding implementation of the Agriculture and Agro-processing Masterplan (AAMP), of which Fruit SA is a signatory. Signed in May 2022, the AAMP embodies a multi-stakeholder process that quantifies the required investment for various key interventions to unlock the potential of the South African agriculture sector and drive inclusive growth.

The unmistakable challenges of black fruit-value-chain players

The rapidly changing agricultural landscape, and its response to local and global impacts, present unique challenges for the industry at large. While the impacts are dire for all industry players, black participants in the fruit value chain are usually the hardest hit, particularly considering their relatively low resource base that ultimately affects their capacity to absorb shocks.

Thus, all these operational challenges compromise the gains and the progress that has been made in advancing industry transformation. They also reduce the prospects of advancing the goals of the AAMP.

The industry continues to explore effective means to address these challenges, to establish sustainable support for black participants and a matching degree of economic development.

Global perspectives for better performance and benchmarking

Key takeaways from the EU's Global Gateway Programme

Pictured: Delegates who met with Netherlands Enterprise Agency (RVO)

Fruit SA's Market Access Liaison Manager, Sahabne Ullah, recently participated in a learning tour in the Netherlands, which was part of the EU's Global Gateway Programme.

The programme is implemented in partnership with EU member states and mainly seeks to enhance partnerships between Europe and Africa, and to drive investment in the African continent.

Connecting with representatives of the EU Parliament, the European Commission, the Ministry of Foreign Affairs of the Kingdom of the Netherlands, and the Netherlands Enterprise Agency (among others) provided valuable insight for Sahabne into how South Africa could better leverage EU investment to support mutually beneficial economic growth.

These discussions highlighted the potential for EU investment to support improvements in logistics, address port inefficiencies, and enhance South Africa's ability to export goods regionally and internationally.

Logistics being a critical aspect of the fruit value chain, Sahabne reports that a key takeaway from the programme on this front was the high level of predictability and efficiency within Dutch logistics systems, which is largely driven by reliable infrastructure, advanced planning and close collaboration between stakeholders. This is evident in the functioning of the port of Rotterdam, for instance, which is a vital maritime corridor for South African fruit exports into the European market, she adds. Its robust infrastructure and well-integrated supply chains render it a highly efficient logistic hub. “The Dutch ports model highlights the importance of integrated planning and collaboration to ensure smooth operations,” concludes Sahabne.

The programme also included targeted site visits to horticulture facilities, one of which already has links with South African enterprises. These vital engagements highlighted the strong culture of collaboration within the Dutch agriculture sector, where stakeholders work together to address shared challenges and to drive innovation.

Sustainability

Sustainable development with a global edge

We live in a world where sustainability is no longer optional. It is essential.

The South African fruit industry provides a solution with a global edge that meets international expectations and also helps to shape them. The growing global awareness of the industry bodies, particularly among relevant members of the value chain, reflects their growing influence and relevance in international markets.

Through participation in programmes like SIZA (The Sustainability Initiative of South Africa), South African fruit producers are building credibility and integrity in their tracked environmental, social, and governance (ESG) performance. Hence, they can export more of their produce to environmentally and ethically conscious countries and actively contribute towards food security through job creation.

These factors align well with the United Nations (UN) Sustainable Development Goals (SDGs) for Zero Hunger, Responsible Consumption and Production, Climate Action, and Partnerships for the Goals; as well as the EU Green Deal, the EU Due Diligence Directive, and market compliance expectations. And this important alignment further establishes the industry as a notable global player in the environmental, social and governance (ESG) framework, which is key in relationship-building with premium international retailers that pursue purpose-led sourcing.