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CEO's note

The fourth quarter of 2022 is upon us and we're far from slowing down.

Major world economies have experienced an embattled state in one area or another, with the UK being the latest. The Institute for Fiscal Studies reports that in its desperate attempt to curb national debt, the UK will have to cut 200 000 government jobs in the next few years. And at a 0.2% contraction, the UK is the only G7 economy that has emerged smaller on the other side of COVID-19, reports *The Guardian*.

This does – even in a small way – help one to see that SA is not alone in its economic struggles. But, in no way does it take away from the need for urgent intervention by the government to help mitigate economic impediments like shocks from the Russia/Ukraine war, debilitating rolling power cuts, and on-going port challenges (though thankfully, a resolution was reached to end the recent port strike).

The fruit industry recognises the need for on-going meaningful partnerships with the government, for widespread economic success. Attendance of certain international fresh produce trade shows is a case in point. Industry representatives attended Fruit Attraction Madrid in October, which was fully funded by the industry. It was a great pleasure to be part of team SA at the eye-catching stand that drew considerable interest. There is great potential for a stronger partnership with and support from government in this arena.

And may the food security focus this month inspire us to continue to pursue creative means to help put food on the tables of South Africans.

Improved COVID-19 environment impact on market access agenda (by **Dr Mono Mashaba**, Specialist Consultant: Market Development)

The global environment has eased into a more moderate state regarding COVID-19, with a positive ripple effect on the pace of market access initiatives.

Following seven years of negotiations, the first container of South African pears was successfully shipped to China in September. We look forward to the resultant economic spin-offs, especially job creation.

However, the effects of the stringent and costly measures for false codling moth imposed by the EU for citrus access into their market, will be felt by the fruit industry for years to come. As a viable mitigation strategy against the impact of the EU decision, the industry is currently focusing on accessing new markets (for example in Vietnam) and growing market share in Japan, Thailand and the US.

Additionally, the avocado industry has had to navigate the impact of very low domestic prices in Europe. The heavy reliance on the European market as the only major market for the product, presents a significant risk to the medium- to long-term sustainability of the industry. With eased restrictions around the COVID-19 pandemic, the conclusion of negotiations for avocados in India, China, and Japan has gained momentum. And experimentation with cold treatment during September to mitigate Oriental fruit fly, was successfully conducted with the participation of an expert from the Japanese Ministry of Agriculture, Forestry and Fisheries. We expect that the outcome of the experiment will help expedite negotiations. The visit by Fruit SA to Japan earlier in October focused on lobbying for the conclusion of a protocol and meeting with potential importers to take South African avocados onboard in the 2023 season.

Subtrop also hosted the Indian Ministry of Agriculture and Farmers Welfare expert delegation in September. They visited SA to conduct a verification for avocado, and to finalise relevant market access negotiations. Following this successful visit, Fruit SA looks forward to the conclusion of the protocol that will allow market access into the second most populous country in the world. Negotiations with China to finalise the avocado protocol are also at an advanced stage. Conditions of import have been proposed by General Administration of Chinese Customs (GACC), and the Department of Agriculture, Land Reform and Rural Development (DALRRD) is currently considering the proposed conditions in consultation with Subtrop. Fruit SA remains focused on helping to ensure market access for avocados into China during 2023 season.

Sustainable transformation through partnership

Kopanang and Parayana Workers' Trusts own 40% of Itireleng and Rekathusanya, table-grape farming units situated on the northern bank of the Orange River. The owners work on the farms themselves, and the beneficiaries of the workers' trusts have already received dividends from the farms.

The Du Plessis family owns the balance of these farms, and it's their farms – Omdraai and Afdraai – from which the partnership was developed.

Edward Sebe is chairman of both workers' trusts, and sits on the board of directors of both Itireleng (Pty) Ltd and Rekathusanya (Pty) Ltd. "I am extremely grateful for this opportunity that has come my way, as today I have a house, I have some capital and my children are receiving a good education." He also lauded the South African Table Grape Industry (SATI) for its assistance with vines on the farms, which has cemented enterprise profitability.

"Making the decision to initiate empowerment units within our business structure has been one of the best decisions that we could have made," says Willie du Plessis.

Empowering marginalised youth in rural SA

Access to career guidance after matric is a critical empowerment tool for our youth. It shields them from falling prey to social ills.

The Koue Bokkeveld Opleidingsentrum (KBOS), with the financial support of the AgriSETA, has piloted the "Learn to Achieve" programme to bring about positive change amongst the marginalised youth of SA. And the results have exceeded expectations.

Established in 2000, KBOS focuses on management, supervisory and technical training relating to farms. They also provide support in community development and upliftment of farm workers and their families in its immediate district.

To improve the lives of the out-of-school youth in its immediate rural farming community, the team at KBOS combined their extensive knowledge of farming-related skills training with what they have learned over the years through their engagement in community development and upliftment. The "Learn to Achieve: 1,2,3 Work" programme was then launched. Last year the programme offered 20 unemployed matriculants who did not enrol at a tertiary institution in the same year, the opportunity to obtain theoretical and practical agricultural knowledge and skills to prepare them for a possible career in agriculture. The students were allocated various farms to work on from April to November 2021, whilst attending a comprehensive skills development programme covering plant production and other technical farming areas of expertise, as well as life skills.

All 20 learners successfully completed the programme, with 18 remaining in farm jobs and two pursuing tertiary qualifications. This is thanks to a successful three-way partnership between KBOS, AgiSETA and the farmers.

INDUSTRY

Botswana joins the Citrus Growers' Association of Southern Africa (adapted from an article in *Farmer's Weekly*)

An overall integrated approach to agriculture on the African continent is sorely lacking. Therefore, the decision by citrus growers in Botswana to join the Citrus Growers' Association (CGA) has been met with great excitement.

The CGA now represents a total of 1 564 Southern African citrus growers. And this regional citrus powerhouse relies heavily on research and innovation, which demands focused investment.

As confirmed by the CGA, Botswana's citrus growers comprise 94% small-scale farmers, with the remaining 6% being medium- to large-scale farmers. More than 1000 jobs are provided in this context (with a 75% female component).

It's heartening to note that through this partnership, SA will be able to impart critical resources, support and knowledge to its neighbouring citrus growers.

And South African investors in conjunction with the government of Botswana, are developing the planned multi-million-rand Selebi-Phikwe Citrus project in central Botswana. Set to come into production in 2024, this initiative holds the promise of increased foreign direct investment, as well as the start of an export-led economy.

Trade show attendance

It is important for the fruit industry to have meaningful representation at major fruit trade shows around the globe.

Attendance of trade shows provides:

- the industry with an opportunity to articulate its value proposition, to network with potential trade partners, and to showcase the country's wares.
- a platform to demonstrate the relevance of SA as a meaningful contender in the international fruit trade landscape.

Trade shows are one of the most critical areas where the fruit industry needs the support of the government – financially as well as through attendance – to show the world that the South African fruit trade is prioritised at government level.

Industry representatives had just returned from Fruit Attraction Madrid at the time of writing, where the South African stand was fully funded by the industry.

Other major trade shows that the industry attends are Fruit Logistica Berlin and Asia Fruit Logistica.
