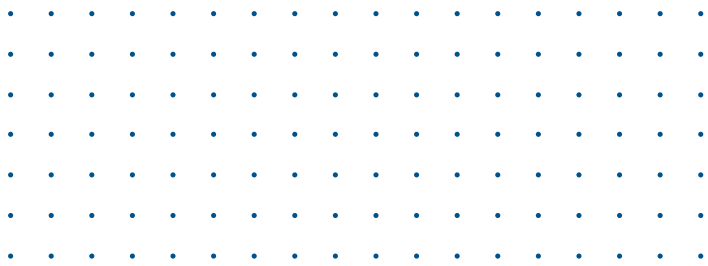


HORTGRO

ANNUAL

REVIEW



2020



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HORTGRO

Growing Fruit IQ





HORTGRO ANNUAL REVIEW

This report provides an overview of the range of functions and services delivered by Hortgro and its related industry sub-structures throughout 2020.

HORTGRO-JAAROORSIG

Hierdie oorsig gee 'n blik op die reeks funksies en dienste wat deur is. Hortgro en verwante bedryfsstrukture gedurende 2020 gelewer is.

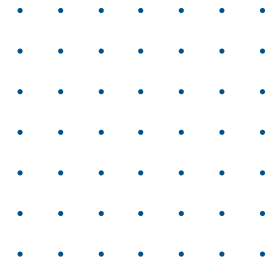
NOTE

Due to constraints, it is not possible to provide all the content in both our operating languages (English and Afrikaans). We tried to balance the content as far as possible. Should you require a translation of a specific section in this report, or more detail on any aspect, please contact us. We appreciate your understanding in this matter.

NOTA

Weens koste- en spasiebeperkings is dit nie moontlik om die verslag in beide ons twee hoofbedryfstale (Afrikaans en Engels) te publiseer nie. Ons het sover as moontlik probeer om die verslag tussen die twee tale te balanseer. Indien daar 'n spesifieke gedeelte is wat u graag in die ander taal, of in meer detail wil sien, kontak ons gerus. Ons waardeer u begrip hiervoor.

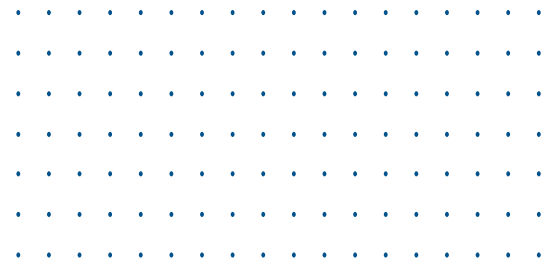
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GENERAL OVERVIEW

ANTON RABE
EXECUTIVE DIRECTOR



After a few very difficult years of wide-spread drought which heavily affected most production areas and fruit types, we were hopeful that the 2020 season would be more normal given a good preceding winter and a much improved water situation. Apart from continued pressure on apricot production and a plum crop (which was way below expectations given some fruit set problems due to a very hot 2019 spring), all other crops experienced a fair to good season.

And then everything went pear-shaped when COVID-19 led to the prolonged lockdown phases in March 2020. Luckily, given the essential services status of our industry, we mostly survived without too much negative impact. We have always budgeted very conservatively and for the 2020/21 season we have been even more conservative. We will have to monitor developments very closely as the season progresses, to ensure that we support our industry in whatever way it requires, given (at the time of drafting this report) a severe second COVID-19 wave in most of our traditional exporting countries in the Northern Hemisphere.

The stone fruit season was mostly done and dusted at the onset of the lockdown, end March 2020, but a large portion of especially the apple crop still needed to be harvested. The initial challenge was to get the crop in cold stores and to make sense of the COVID-19 regulations - which initially were haphazard and confusing with changes and new interpretations virtually on a daily basis.



Anton Rabe
Executive Director

Hortgro's focus was to interpret and convey appropriate information to the industry, whilst maintaining industry services and functions with remote operations. We certainly quickly adapted and learnt how to operate via virtual means – a practice which will no doubt continue as a standard practice going forward leading to much reduced travelling with less physical and more hybrid-type meetings.

Given a history of compliance with hygiene and good practice, especially our packhouses adapted rapidly with new protocols to protect their workers. The biggest challenge was continued port operations with especially Cape Town harbour heavily impacted.

New management, much better communication between stakeholders and the operationalization of new equipment auger well for improved productivity and less risk in this area for the coming and future seasons.



Soos al in die verlede genoem, sien, ervaar en beleef ons daaglik die cliché dat verandering die enigste konstante is en dat die tempo van daardie verandering toeneem. Nuwe kwessies en nuwe uitdagings wat tradisioneel nie op die agendavan 'n bedryfsorganisasie soos Hortgro sou beland nie, is derhalwe 'n gegewe met marktoegang en logistieke kwessies wat 'n groot bedryfsfokus geword het. Transformasie binne die waardeketting, produksie, navorsing en oordrag van inligting en 'n hernude fokus op die gehalte van ons plantmateriaal, insluitende onafhanklike evaluasie bly sleutel bedryfsprioriteite. Met die visie, kundigheid en passie van ons bedryfsleiers, tesame met 'n kultuur en etos van selfdoen deur ons bekwame bedryfspersoneel, kry ons dit grootliks reg om deurlopend as 'n *enabler* vir ons produsente op te tree en hulle besighede volhoubaar en winsgewend te maak. Dit uitdaging bly om te fokus op kollektiewe bedryfswye aksies en dienste sonder om op die kommersiële terrein te oortree.

Apart from its internal activities and programs, Hortgro also continued to support various industry functions and services in related industry sub-structures such as FruitFly Africa (FFA), Culdevco, SAPO Trust and the newly established Tissue Culture Facility (TCF) where new technology and synergies are explored. We also continued to participate within FruitSA with joint actions and focus with our sister industries (table grapes, citrus, sub-trop's) and the Exporters Forum with regards to trade and market access (gaining new, but also maintaining existing markets), logistics, transformation (with a clear value chain approach) and government relations. This year, this included participation in the development of a so-called Agriculture and Agro Processing Master Plan (AAMP) for horticulture as was requested by the Presidency.

This will hopefully address some of the constraints and better cooperation between and with the public sector and should lead to a social accord or compact between the various social partners. More detail on these and related activities elsewhere in this report.

Benewens die normale bedryfsdienste en funksies, lewer Hortgro ook finansiële bestuursdienste aan 'n reeks alternatiewe gewasse en groepe om die oorhoofse kostelas op Hortgro Pome en Stone se begrotings te verminder. Sowat 'n derde van die oorhoofse koste word op die wyse, deur die lewering van hierdie dienste tot die koste- en kapasiteitevoordeel van die breër bedryf, verhaal. Hierdie dienste sluit die vordering van heffings en verslagdoening oor verskeie statutêre maatreëls gebaseer op formele diensvlak ooreenkomste in. Hortgro lewer ook projekbestuursdienste met betrekking tot verskeie publieke toelaes wat deur memoranda van ooreenkoms (MOU's) met verskillende staatsdepartemente uitgevoer word. Ook hierop word in meer detail elders in die oorsig gerapporteer.

At HORTGRO we focus on production research and technology, communication, trade and markets, and transformation within the deciduous fruit industry.

OUR VISION

Inspiring Inclusive Growth – Doubling the Industry by 2050

OUR MISSION

To create an enabling environment for all industry stakeholders to enhance equity, sustainability, profitability and competitiveness of the pome, stone and related horticultural industries through the following Hortgro programmes:



Communication and industry representation



Economic development and land reform



Good governance, administration and financial management



Independent evaluation (cultivars and rootstocks)



Industry information and statistics



Plant material management, including cultivar development and acquisition



Plant improvement and certification



Scientific research, development and technology transfer



Skills and human resource development, including socio-economic development



Technical market access, protocols and product standards



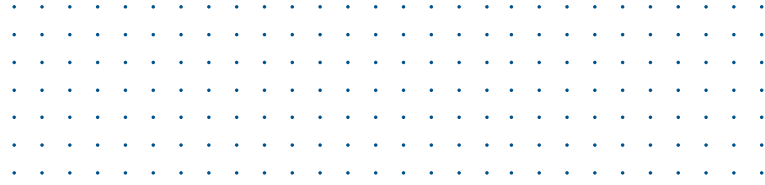
Trade and market development, including market intelligence

LEVIES ADMINISTERED DURING 2020

Export and domestic volumes		Export market development	
Apples (fresh fruit)	5 cents per kg	Apples & pears	2.8 cents per kg
Apples concentrate	R9.20 per fresh ton	Apricots	10.5 cents per kg
Pears	5 cents per kg	Nectarines/peaches*	21 cents per kg
Apricots	20 cents per kg	Plums	10 cents per kg
Nectarines/peaches*	12.6 cents per kg	Local market development	
Plums	16.5 cents per kg	Nectarines/peaches*	4.2 cents per kg
		Plums	2 cents per kg

* including cling peaches

OUR BOARD OF DIRECTORS



Nicholas Dicey
Hortgro Chairman and Hortgro Pome Chairman

Nicholas Dicey is a fruit producer from the Wolseley district. He has served the industry on various boards over several decades. He is currently the Hortgro Chairperson and the Hortgro Pome Chairperson. He is also the President of the World Apple and Pear Association.



Dr Mono Mashaba
Director

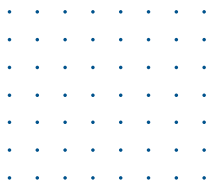
Dr Mono Mashaba is the Managing Director of Africa Excel Advisory Services - a consulting company advising SA fruit industry associations to broaden their international market access. He spent eight years in China as an agriculture attaché at the South African Embassy in Beijing facilitating market access for South African agriculture products to the East Asian markets. He also serves as a Director for FPEF as well as the ARC and various other industry organisations.



Angelo Petersen
Director

Angelo Petersen has more than 25 years experience working as senior executive, board director, general manager and leader in the private and public sectors. He has been active in the transformation process in the fruit industry for over two decades and has facilitated numerous successful land transformations, social development initiatives and public-private partnerships.





Pitso Sekhoto
Director

Pitso Sekhoto has 40 years' experience in establishing and running businesses in the retail, food and agricultural industries. He entered the deciduous fruit industry in 2008 and is a board member of the Deciduous Fruit Development Chamber (DFDC), Agri-Sector Unity Forum (ASUF) and the African Farmers' Association of South Africa (AFASA).



André Smit
Hortgro Stone Chairman

André Smit has been at the helm of Hortgro Stone since 2015. He has extensive experience "on farm" and in the industry. His passion is to help close the gap between producer and consumer.



Anton Rabe
Executive Director

Anton Rabe studied agricultural economics and had a brush with journalism before he fell head over heels into the deciduous fruit world. He has been the frontrunner of the industry for more than two decades and spearheads the transformation of the industry with passion and pragmatism.



CHAIRMAN'S REPORT HORTGRO POME

NICHOLAS DICEY

The 2020 apple and pear season kicked off on a positive note with expected volumes similar to the previous season for pears and slightly higher expected volumes for apples. Markets were looking favourable with the European apple and pear crop yielding lower than average productions in the 2019 season – this resulted in lower carry-over stock. Most production areas had experienced a satisfactory winter. Water supply was at a more acceptable level when compared to the recent couple of dry years and gave rise to good quality and size of produce.

The devastation and radical upheaval caused by the COVID-19 pandemic that spread throughout the world will however be the focal point of each and every individual and industry across the globe. During March 2020 the way in which everybody was accustomed to were impacted in a way never experienced in modern times before. Lockdown, social distancing, sanitation, face masks, separation, work from home and curfews were measures used to try and curb the spread of this deadly disease that had swept the length and breadth of the globe - not sparing any community. The economic and social hardship caused by the pandemic brought countries and industries to its knees and the effects will be felt for a long time to come.

Alhoewel oes-aktiwiteite vir die meeste peer-produsente al teen Maart tot 'n einde gekom het, was daar nog heelwat appels wat goeos moes word. En die meeste van die verpakkings- en bemarkingsaktiwiteite vir beide kommoditeite het nog voorgelê. Gelukkig is die landboubedryf as 'n noodsaaklike diens geklassifiseer en kon landbou-aktiwiteite voortgaan. Streng maatreëls moes egter nagekom word om die veiligheid van werkers te verseker en om te verhoed dat die pandemie verder versprei.



Nicholas Dickey
Pome Chairman

The blueprint for the COVID-19 protocols had however not been written and Hortgro played a leading role in ensuring that its producers were equipped with newly developed rules and regulations to ensure that their businesses could remain open and function in a way that their employees were safe and the spread of the pandemic was limited. The disciplines that apple and pear producers were accustomed to in ensuring worker health and safety and food safety, played a big role in ensuring that the COVID-19 protocols could be adhered to in a successful way.

Although it certainly was not business as usual, the apple and pear industries managed to continue functioning in such a way that production interruptions were limited and that produce could be delivered in a reasonably normal manner.



Gedurende hierdie buitengewone jaar het die tradisionele aktiwiteite en dienste wat Hortgro Pome aan sy lede lewer, weereens bewys dat die bedryfsorganisasie hom met die regte kwessies bemoei. Ondanks die geweldige baie tyd en uitdagings wat daar spandeer is om die bedryf te bemagtig sodat dit gedurende die inperkingsperiode kon besigheid doen, is ook die ander aktiwiteite met ywer en sukses uitgevoer. Marktoegang en -behoud, navorsing, die ondersteuning van transformasie-aksies en skakeling met die bedryf en regeringsdepartemente is regdeur die jaar gehandhaaf. Alhoewel die Hortgro-kantoor volgens nuwe norme bestuur is, met baie werk wat vanaf die huis gedoen is, is daar deurlopend gestreef om positiewe waardes toe te voeg, op elke produsent se heffing.

Raadsvergaderings en algemene bedryfsvergaderings is deur verskeie internetplatforms met groot sukses gehou. Alhoewel sosiale interaksie tussen rolspelers gedurende hierdie virtuele vergaderings gemis word, is daar 'n algemene gevoel dat vergaderings voorts, wanneer dinge weer terugkeer na normaal, meer gereeld op die manier kan geskied.

The past year will long be remembered as one where society has had to adapt to a new norm. The speed and willingness of coping with this new lifestyle will determine the success of individuals and industries. I believe that the South African apple and pear industry has shown in the past year that through its maturity, its history of food and worker health and safety adherence, its leadership in the agricultural sector, and its strong industry organisation structures, to be at the forefront of operating successfully in this new environment. Many producers, Hortgro staff and board members went the extra mile in the communities they live in, the industry they served and the decisions they made, and I would like to commend and thank you all for the positive difference you made during a very uncertain time.



I trust that with the favourable winter that we experienced during 2020 and the availability of sufficient water in most production areas that the apple and pear industries will experience a successful and fruitful 2021 season.

CHAIRMAN'S REPORT

HORTGRO STONE

ANDRÉ SMIT

Grendeltyd. Inperking. Vlak 5. Vlak 4. Verslapping van maatreëls – Hierdie is alles woorde wat sinoniem is met 2020 – die COVID-19 jaar. Niemand het hierdie pandemie voorsien of voorspel nie. Ons moet gewoon raak aan 'n “nuwe normaal”.

Steenvrugprodusente het die aanvanklik-ingrypende impak van grendeltyd teen einde Maart 2020 tot 'n groot mate vrygespring, omdat die meeste steenvrugte toe reeds geoes, verpak en verskeep was.

However, the 2019/20 season yet again proved to be challenging with the apricot harvest – that was down year-on-year with 38% to 354 804 cartons – the lowest export crop in five years. This decrease was primarily due to the continued four-year drought cycle in the Little Karoo (where most apricots are grown) as well as a heat wave during September 2019 which impacted negatively on cultivars that were in a sensitive flowering stage. Angelino and Flavor Fall plums were among the varieties that suffered heavily.

The plum export crop at 8.9 million cartons was similar to the 2019 season, making these two years the lowest in recent history. Nectarines on the other hand increased by 26% to 5.06 million and peaches by 10% to 2.01 million cartons. The increase in nectarines is due to new hectares coming into production, especially new higher yielding cultivars.

Die verswakking van die wisselkoers het aan die einde van die seisoen pryse goed ondersteun. As gevolg van COVID-19 was daar ook 'n toename in die vraag na vars vrugte en groente. Ons vertrou dat hierdie tendens sal oorspoel na die 2020/2021 steenvrugseisoen.



André Smit
Stone Chairman

Europe is still the biggest destination for all SA stone fruit (41%), followed by the United Kingdom (28%) and Middle East (21%). Although stone fruit is mainly destined for the export market, growers strive to provide the local market with the same quality fruit. The domestic market has a good growth potential and will be governed by the positive eating experience of the consumer. Growers must focus on this key attribute for their products with Hortgro Stone's domestic market development campaign emphasizing these traits.

The 2019 Hortgro tree census clearly indicated the devastating effect the drought in the Little Karoo had especially on apricots (down 11% year-on-year) as well as on peaches (both dessert and clings) down 6% and 11% respectively. The biggest challenge for these areas will be evaluation of critical resources and the need for recapitalisation.

Nectarine hectares are in a consolidation phase with mid-season varieties being re-establishment and new hectares planted. This will in future contribute to a more balanced supply throughout the season.

Plum hectares decreased by 3% but plantings of red and black plums continue to increase which are in line with international consumption trends.



Daar was talle uitdagings met pruim vermarmering, maar deur nuwe tegnologie is daar suksesvolle plantmateriaaltoetsing op alle materiaal gedoen. Die PVO's het op versoek van Hortgro Stone ook toegesien dat slegs skoon getoetste materiaal verhandel word. Dit is ook onteenseglik bewys dat die viroïde nie saad-oordraagbaar is nie en dus geen fitosanitêre handelsrisiko inhou nie. Produsente word gemaan om te let op die sertifiseringstatus van kwekerybome.

Daar is ook besluit om opnuut na die vereistes van die plantverbeteringskema te kyk en weg te beweeg van "visueel vry" en waar moontlik toetse in te sluit. Dit baan die weg om in die toekoms pro-aktief probleme soos met vermarmering te kan voorkom. Ongelukkig is daar geen herstel vir bome met vermarmering nie en moet sulke bome geïdentifiseer, verwyder en vernietig word om virusverspreiding deur snoeiskêre en ander meganiese metodes te voorkom.

With the 2020/21 season already underway, we can expect major challenges with a second wave in most of our traditional export markets. Logistics and careful planning from our side will be crucial this season.

The past winter has seen much better rainfall over most production areas and a cooler spring during flowering has positively impacted the volumes. The season started out with weather patterns looking to normalise.

THE THEORETICAL STONE ESTIMATE FOR 2020/21 THEREFOR INDICATES A POTENTIAL INCREASE OF 29% FOR APRICOTS, 2% FOR PEACHES, 11% FOR NECTARINES AND 23% FOR PLUMS. INDICATIONS ARE THAT THE CHERRY CROP WILL ALSO BE BACK TO NORMAL AFTER A LOW CROP DURING THE PREVIOUS SEASON.

Strict export protocols remain a challenge and in the mist of COVID-19 even more so. Hygiene and sanitation have now become household terms and growers will have to ensure that they comply with all rules and regulations. Luckily, South African farmers are very resilient and as an industry, I know we can continue to deliver the excellent high quality fruit that South Africa is renowned for.

It was a pleasure to serve as chairman for another season and I would also like to use this opportunity to thank my fellow board members, producer council, stone fruit producers and all industry stakeholders for their contribution and support at the various levels required to ensure that Hortgro Stone can effectively serve its constituents and continue to create a stable and sustainable environment for the industry to thrive in. We as producers can focus on our primary businesses with the knowledge that our industry organisation, Hortgro, continues to facilitate industry-related issues efficiently, thereby creating an enabling environment for our producers to function effectively. A big word of thanks to Anton and his professional team.

OUR

MANAGEMENT SERVICES

LOUIS VAN ZYL: GENERAL MANAGER

Since its inception in 2005, Hortgro has been providing a range of supporting functions, including financial and administrative services to a number of horticultural industry structures. The number of entities that Hortgro services has since grown to 31 legal entities of which Hortgro Pome, Hortgro Stone, FruitFly Africa, SA Plant Improvement Organisation (SAPO), Deciduous Fruit Producer's Trust (DFPT), Fruit Workers Development Trust (FWDT), SA Fruit Journal, the Deciduous Fruit Industry Development Trust (DFIDT), Culdevco, and Hortfin counts as its main clients. Cherries and Dried Tree Fruit have been fully integrated into Hortgro Stone and Hortgro Pome, respectively. Hortgro has also been contracted to provide services to a range of alternative crops such as Cape flora, figs, olives, pecan nuts and pomegranates, cultivar focus groups such as SA Pink Lady, Greenstar-Kanzi and Forelle, as well as the SA Fruit and Vegetable Canners Association, Sustainable Initiative of SA (SIZA), and the Tissue Culture Facility.

31

legal entities support

Providing a range of supporting functions, including financial and administrative services to a number of horticultural industry structures.

21

service BEE farms

Together with the Western Cape Department of Agriculture (WCDA) the Deciduous Fruit Development Chamber enabled economic development of 21 BEE farms in Western and Eastern Cape.

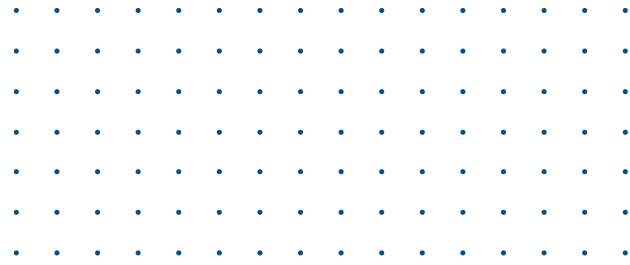
50

years experience

The deciduous fruit industry association has undertaken various changes from as early as the 1970's.

Hortgro administers various statutory measures as approved via the National Agricultural Marketing Council (NAMC) in terms of the Agricultural Products Marketing Act and collects statutory levies on behalf of the following organisations: Hortgro Pome, Hortgro Stone, Fruit Fly Africa, SA Olive, Cape Flora SA, Pomegranate Association of SA and SA Pecan Producers' Association. Levies are ring-fenced within dedicated accounts for every entity and accounted for to both the NAMC and the Auditor-General. In addition, Hortgro also invoices and collects payment for various user-pay industry services as provided by some of the entities listed above.





HORTGRO IS ALSO CONTRACTED TO IMPLEMENT VARIOUS PROGRAMMES IN CONJUNCTION WITH OTHER ROLE PLAYERS:



The Treasury's Jobs Fund project in conjunction with contributions from the industry (including Vinpro and SATI) and the Land Bank - better known as Hortfin being a R600m loan funding project.



The US Department of Agriculture's Agriculture, Plant Health Inspection Services (USDA APHIS) for the pre-clearance programmes for citrus and deciduous fruit.

The Alternative Crops Fund of the Western Cape Department of Agriculture in support of emerging horticultural industries.



The Treasury's Jobs Fund project in conjunction with contributions from the industry, the Western Cape Department of Agriculture (WCDA), and the Deciduous Fruit Development Chamber for the economic development of 21 BEE farms in Western and Eastern Cape. This programme ended in October 2020.

The WCDA for the Comprehensive Agricultural Support Programme (CASP) to support emerging producers including the 50 emerging grower programme.

Administratiewe steundienste en -funksies word ook aan die verskillende departemente binne Hortgro voorsien.

IN TOTAAL HET HORTGRO +R365 MILJOEN DIE AFGELOPE JAAR GEADMINISTREER.

OUR HUMAN RESOURCES

ASTRID ARENDSE

Human Resources strive to proactively provide support and guidance to employees, the organisation and our industry. We effectively develop, establish and maintain policies and programmes that maximise the efficiency of the workforce through various HR functions.

RECRUITMENT AND SELECTION

SKILLS DEVELOPMENT

EMPLOYEE DEVELOPMENT

COMPLIANCE TO STATUTORY REQUIREMENTS

EMPLOYEE WELLNESS

41 PERMANENT STAFF

During 2020, two interns and five new permanent employees were appointed; of which four were newly created positions.

LEARNING AND MOTIVATION

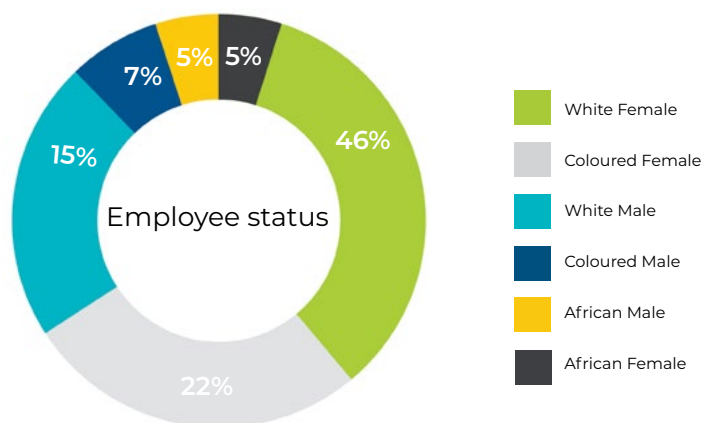
Hortgro continues to be a learning organisation and our employees are motivated to develop their skills.

STAFF SUPPORT

Employees are motivated to stay abreast of their fields and many are enrolled as students to further their studies.

EQUAL OPPORTUNITIES

We continuously strive to create an equal opportunities environment for employees to develop and grow in.



COVID-19 and the effect on Human Resources

Like the rest of the world we too had to adapt to employees working remotely, virtual meetings and online communication. Worker wellbeing became extremely important during this work-life integration. A holistic approach including emotional, mental, physical and spiritual wellbeing is important as all these factors contribute to the productivity and effectiveness of employees.

OUR COMMUNICATIONS

ELISE-MARIE STEENKAMP: GROUP MANAGER

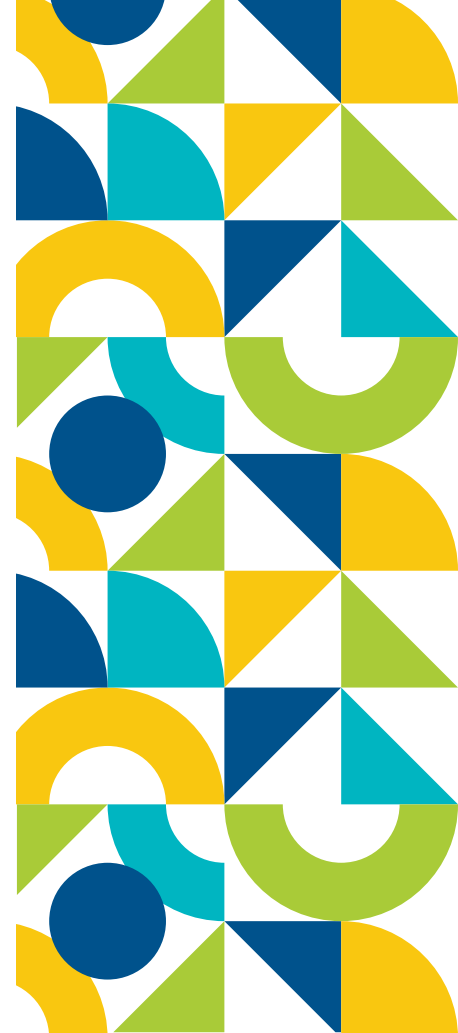
Hortgro's Communications Department has never been challenged more than during the past year.

While it always feels as if our team is in a *Fast and Furious* movie (managing and producing content for more than 40 different platforms) the coronavirus pandemic had us firing on all cylinders (and adding nitro-methane to the mix at times) while hurtling through an unknown racecourse.

At the onset of lockdown, and in the months thereafter, we were hit by a relentless wave of conflicting regulatory information. Almost overnight we had to learn about the State of Disaster Laws, COGTA, police procedures, transport permits and so on. Our main goal was to keep the value chain of the deciduous fruit industry, as an essential service, informed at all times-to the best of our ability. This was a great challenge, with confusing interpretations of regulations by different government departments, the police having another take, and actions playing out on ground level without script or common sense.

We have to acknowledge the invaluable role that the Western Cape Department of Agriculture played in supporting, guiding and helping the industry during this time.

All in all we produced 37 COVID-19 Communiques in English and Afrikaans, developed a mental health guide, protocols for packhouses and the transport of workers, developed workplace scenarios, health screening protocols and tools. At the same time we pushed crucial messages on social media regarding the health value of deciduous fruit, the economic importance of agriculture and food security, while also emphasising the importance of religiously complying with COVID protocols. This is still vital as we witness second waves globally and locally.



APPS

The sudden lockdown emphasised that the digital era of communication is here to stay. In this regard the Board had the foresight to give a green light to the implementation of two apps. Thus 2020 saw the launch of:

HORTGRO 24 ON D6

HORTGRO STONE FRUIT

WEBSITE

In addition we spent a lot of time upgrading different web sites and uploading additional material on various social media platforms.

HORTGRO

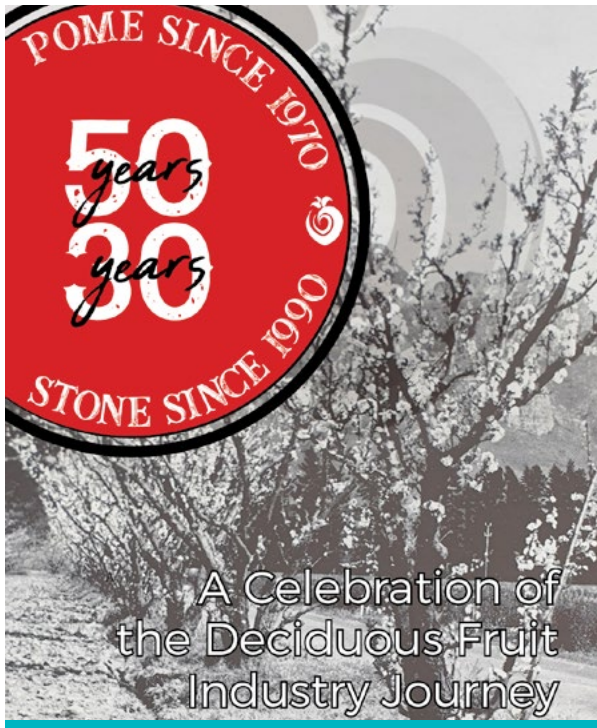
HORTGRO SCIENCE

JOBSFUND INITIATIVES

EVENTS

In the absence of “live” events we had no alternative but to engage digitally. And although it is not as satisfying as meeting colleagues, clients and friends in real life, it did create scope for doing things differently. Sadly, the industry celebration, 30 years of Hortgro Stone and 50 years of Hortgro Pome, had to be postponed to 2021. Replacing the gala dinner is a collection of memories and stories, shared by past and present industry leaders.

[DOWNLOAD A COPY HERE](#)



Next in line was Agri’s Got Talent. After many planning sessions, and re-writing the script many times over, the project ran very successfully on social media, with the AGT team visiting the Top Ten contestants on-farm, and training happening in small groups in various locations. The final performances were shot on location at Goudini Spa and uploaded to YouTube for judging and of course for the fans to enjoy. More than 86 000 people were reached during the “judging week” on Facebook alone.

[WATCH PERFORMANCES HERE](#)



Although I am a farm worker and not in the music industry yet, my voice was heard.

– Roshdene Sampson, Agri’s Got Talent 2020 winner

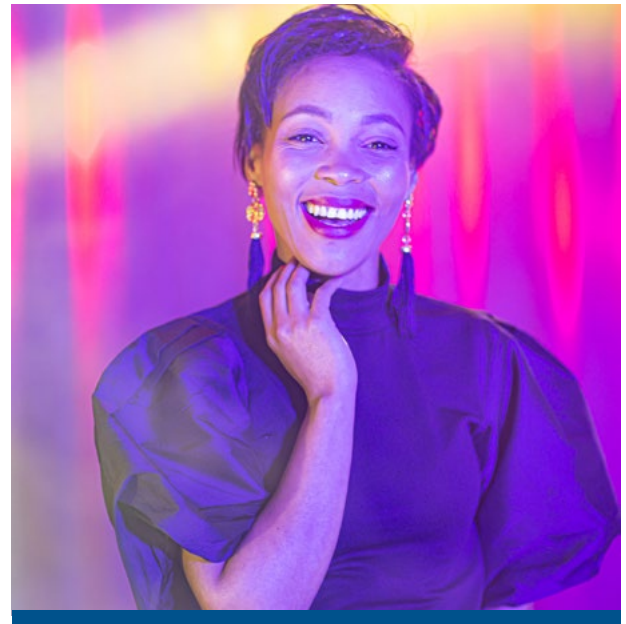


Table grape agri-worker, Roshdene Sampson, from Sandhoek farm, De Doorns, was the winner, with Jenny Maarman Diemerskraal, Wellington and Bradwin Jonas, Rietfontein, Koue Bokkeveld, second and third, respectively.

The Hortgro Research Showcase was the first big event that got re-casted on the digital stage. Working together with the researchers and Hortgro Science, 109 videos were uploaded to our YouTube channel. The playlist was divided according to the different research programmes and themes. All the clips give brief, but essential overviews of the research currently being conducted for the industry.

IT IS WORTH WATCHING

[OUR YOUTUBE CHANNEL](#)



The annual Deciduous Fruit Industry Awards was also presented as a digital event. In the words of Jacques Jordaan, the Awards Committee Chairman: "There has never been a time more so than now (during COVID), that we have to acknowledge the hard work and dedication of individuals. The shining stars of the industry."

[WATCH AWARDS HERE](#)



Hortgro het in Maart 2020 vir die eerste keer aan die Toyota US Woordfees deelgeneem. Dit was in samewerking met Tru-Cape en deel van die AgriExpo se landboureeks. Die Sagtevrugtefynproe se bywoningsgetalle het ons stoutste verwagtinge oortref, met slegs enkele kaartjies wat nog by die deur te koop was. Hortgro wil graag dankie sê aan Buks Nel, Henk Griessel, Petru du Plessis en Wiehann Steyn wie se vrugtestories almal vermaak het. Feesgangers kon aan verskeie vrugsoorte by die fynproe smul. Hortgro vertrou dat die breë publiek deur hierdie platform nie net meer oor vrugte geleer het nie, maar ook met meer waardering vrugte in die toekoms sal geniet.

[READ MORE](#)








Thus, the shift to digitalising our communication platforms will increase the production of videos, podcasts, webinars, memes, GIF's and e-publications. The communications team is continuously learning and applying new digital skills to fit strategically with Hortgro's vision, mission and industry goals. We are aware and acknowledge the big responsibility that comes with this form of communication, and strive to utilise it with integrity and honesty.

WHATSAPP IS CURRENTLY THE NUMBER ONE SOCIAL MEDIA PLATFORM IN SOUTH AFRICA, FOLLOWED BY YOUTUBE, FACEBOOK, FACEBOOK MESSENGER AND THEN INSTAGRAM.

Our electronic newsletters include: *Hortgro News*, *Timely Hints*, *freshNOTES*, and *Transformation Times*, as well as *Fruit Loops* (Hortgro's internal newsletter). The monthly Hortgro News is the main vehicle to communicate the latest news, industry information, events, and research. The *Fresh Quarterly*, our electronic technical magazine, is now an established essential tool and makes research easy and fun to read. Our presence in the *SA Fruit Journal* continue to reach a wider, international audience and it is important to showcase not only our transformation achievements, but also our technical expertise via popular rather than scientific publications.

OUR SOCIAL MEDIA COMMUNITY IS ACTIVE, VIBRANT AND STRONG WITH 8 300 FOLLOWERS ON ALL THE PLATFORMS, EXCLUDING THE WEBSITES. AN AVERAGE OF 3 500 WEB VISITS EVERY MONTH.

 **4 501** FOLLOWERS (AGT 4 406)
 **2 214** FOLLOWERS
 **1 162** FOLLOWERS
 **8 000** IMPRESSIONS IN 6 MONTHS
 **387 VIDEOS; 1023 SUBSCRIBERS; 70 345 VIEWS; 550 795 REACH.**

WAT DOEN ONS?

Ons kommunikasiestrategie het ten doel om Hortgro en die sagtevrugtebedryf se beeld te bou deur die proaktiewe identifisering en strategiese bestuur van kommunikasie-risiko's, skakeling met belangegroepe en die media, asook die verspreiding van besigheidsbelangrike inligting aan ons wye reeks belangegroepe.

Strategiese boodskappe word innoverend verpak en op verskillende maniere en verskillende platforms deur onder andere "stories" en visuele kommunikasie versprei.

STRATEGIESE KWESSIES SLUIT IN:

Transformasie van die vrugtebedryf deur te fokus op: vroue en die jeug; asook werkskepping; en algemene sosiale opheffing in gemeenskappe.

die belang van landbou vir SA se ekonomie en ontwikkeling van markte;

gesondheidsfeite van ons produkte/die belang van vrugte in 'n gesonde dieet en lewenstyl;

voedselveiligheid en voedselsekuriteit en;

etiese volhoubaarheid van die bedryf (arbeid/omgewing).

Maak asseblief seker dat u ons kommunikasies ontvang. Een van die grootste probleme is dat die "verkeerde" mense op plaasentiteite inligting ontvang. Die boomsensus dien as brondokument vir ons databasis. Indien u agterkom dat belangrike inligting u nie bereik nie, kontak ons dringend sodat ons dit kan regstel.

Lastly, please give us feedback and connect with us regarding what we do, it is the only way to improve and align with industry needs.

HORTGRO SCIENCE

HUGH CAMPBELL: GENERAL MANAGER

GOVERNANCE AND FUNDING

Strategic leadership is provided by Hortgro Science Advisory Council ably led by Stephen Rabe as chair. The Hortgro Science Advisory Council members are: Stephen Rabe (Chairman), Grant Smuts (Vice-chair), Linde du Toit, Frikkie Jacobs, Charl Stander, Louis von Broembsen, Raymond Koopstad and Wesley Hendricks.

During August 2019 the council identified six strategic focus areas that will lead the research process for the next period.

The three research programmes have been working closely with the 17 focus workgroups identifying the research questions that are then transformed into research projects. Five peer work groups and four technical advisory groups reviewed all 102 research projects funded by the pome and stone fruit industry. The industry remains indebted to the 200 odd individuals who contributed to these workgroups.

The leverage of external funding has become more of a challenge. Funding through government agencies has reduced quite dramatically and the expectation is that it will remain a challenge going into the future.

18 research facilities were utilized to conduct 102 research projects during 2019/20 with 59% of the project budget being spent at seven departments of the Stellenbosch University.

The impact of COVID-19 was monitored and managed very closely by the Hortgro Science programme managers. Access to research facilities and sites during critical periods did pose a challenge to researchers. Thanks is extended to many of the researchers and post-grad students who did everything that they could to continue with their research and in so doing limiting the impact of the COVID-19 restrictions on the output of the research.

RESEARCH PROGRAMMES

CROP PRODUCTION

The research strategy of the Crop Production Programme is aligned with the requirements and risks associated with the Orchard of the Future. Rootstocks, plant quality, water and climate related research are the strategic priorities of this programme. The Crop Production research programme is structured around six research themes, namely, dormancy, farming technology, irrigation and nutrition, rootstocks and nursery tree quality, growing season climate and reproductive biology.

The Crop Protection Programme is a multidisciplinary programme that focuses on nematology, entomology and plant pathology. There is a strong focus on phytosanitary issues aimed at the effective management of various fruit flies, false codling moth and other phytosanitary pest and diseases.

POSTHARVEST

The Postharvest Research Programme absorbs 28% of the project funding supports and enhances the processes throughout the supply chain critical to ensuring that product integrity is maintained and that a quality product is available to the end-consumer in local and distant markets.

For a detailed description of each research programme and summary of each funded project please visit:

SCIENCE WEBSITE

COMMUNICATIONS

FRESH QUARTERLY

The *Fresh Quarterly* has entrenched itself as the key vehicle to communicate past and present research results to the key target market of Hortgro Science – the grower. Since its inception in June 2018 10 issues have been published.

HORTGRO RESEARCH SHOWCASE

The 2020 Hortgro Research Showcase did not take place due to COVID-19. However a five minute power-presentation of each project has been posted on the Hortgro Science website for quick and easy reference. A number of webinars were held during the COVID-19 period which were seen as a successful alternative to the traditional seminars. Planning ahead to the new year, the opportunity of expanding the reach through technology provides a good opportunity for hybrid presentations that include both physical and electronic symposiums and field days.

STONE FRUIT APP

The '*Stone Fruit App*' was launched in June, 2020. The app offers postharvest information, down to different fruit types and cultivars. See the link on the Hortgro Science website.

FRESH NOTES AND TIMELY HINTS

Visit the Hortgro Science website to gain any information on what is happening in the research arena – be it understanding the research process and who is involved in the different workgroups, peer work groups, technical advisory committees or getting an understanding of the different research programmes and the projects that are part of the programme. There is an executive summary of each research project funded by industry. If you are looking for a copy of a '*Fresh Notes*' or the latest '*Stone fruit timely hints*' then click onto the website to download the relevant document.



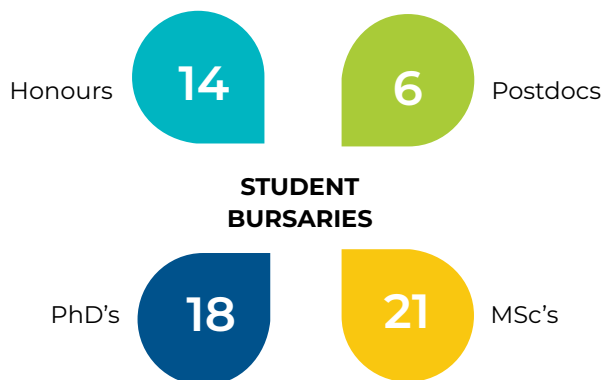
For a comprehensive review of Hortgro Science's activities read:

HORTGRO SCIENCE ANNUAL REPORT on www.hortgro-science.co.za

CAPACITY DEVELOPMENT

The development of the next generations of scientists and technical people who can service the industry is an important product of the research process. 59 post-grad students were funded during 2019/20. The breakdown is as follows: 14 Honours, 21 MSc's, 18 PhD's, 6 Postdocs. 58% of the students are female and 46% of the students are black.

20% of the research budget is directed towards funding research posts – mostly seconded to Stellenbosch University. It is becoming critical as time moves on for industry to ensure that strategic applied research capacities are maintained in centres of higher learning and other research facilities.



OUR TRADE AND MARKETS

JACQUES DU PREEZ: MANAGER

2020 was a year that most inhabitants of our planet would like to forget as soon as possible, but we of course won't and we shouldn't. It was a year that taught us a lot. With all the hardship and pain that 2020 brought, there were also many positives that will change the way in which we do things. Market access – retaining existing markets and accessing new markets remain our main focus for the immediate future.

Samewerking was van kritieke belang in die onsekere en moeilike tye, so ook tydige, akkurate en relevante inligting. Dit was bemoedigend om te ervaar hoe ons bedryf onder mekaar, met ander bedrywe, asook met verskillende staatsdepartemente saamgewerk het om seker te maak dat ons met so min as moontlik ontwirting met bedrywighede kon voortgaan. Ten spyte van al die ontwirting lyk dit asof 2020 ons grootste appel-uitvoeroes in die geskiedenis gaan wees.

Te midde van al die plaaslike uitdagings, neem proteksionisme wêreldwyd toe. Die behoud van bestaande markte en die “oopmaak” van nuwe markte word al hoe moeiliker. Ons sal vindingryke oplossings vir hierdie probleme moet vind.

Our industry is built on relationships and it's in our social nature to get together and talk business. This proved to be difficult this year but the Joint Marketing Forums continued in a hybrid format (limited physical and online/virtual meetings) but we managed to convey the information and had in-depth discussions. It felt a bit strange and awkward at times to talk to a “room” full of people on a screen. We certainly missed the buzz of excitement and concern and lively face-to-face discussions.

The value of our well-established and time information systems proved their immense value. Communication and information sharing was critically important during the early chaotic days of lockdown.

Luckily, only the tail end of the stone fruit season caught the huge logistical March disruption. The pome industry bearing the brunt of the early-lockdown challenges. Huge shipping delays, container shortages and other logistical challenges were everyday problems. If one seeks for a silver lining in the COVID-19 cloud, the attention that the ports (particularly Cape Town) received, was one of them. The fault lines were laid bare, from management, efficiency, productivity, to equipment and infrastructure. But there was a real urgency from government and industries' side to address this. Transnet must be commended for the leadership and plans put in place in response to these problems. An increase in productivity, expansion of the workforce and commissioning of new equipment has already taken place with plans for further improvements being on track. If all of these are implemented, the Cape Town port will operate at its best level in years by the end of 2020.

COVID-19 made sure that markets were dumped into turmoil. Worldwide, economies took a beating as were the disposable income of our global consumers. Wet markets (public markets selling perishable produce) and informal markets in many Eastern and African countries ground to a halt, but on the flipside formal retail and online sales boomed, particularly in Europe. This proved the point of how important it is to have diversified markets. The exchange rate was in our favour, but we should be wary not to make long term investment decisions on short term favourable export exchange rates.

We were fortunate that we were able to continue to export to Mexico, Taiwan and the USA without the presence of inspectors of these countries. The Department of Agriculture, Land Reform, and Rural Development (DALRRD) really stepped up to the challenge and negotiated with these countries to conduct the inspections on their behalf. And through this we proved the robustness of our food safety and food quality systems.

Our trade development and consumer education programmes will continue to play an important role in communicating the intrinsic values of our industry and products. With particular focus on its health benefits, locally and in foreign markets.

The Packhouse Action Group (PAG) also continued its work focussing on the following fields: engineering, packaging, environmental footprint, packhouse, post-harvest, logistics and communication. In 2020, projects tackled included: plastics strategy, minimum packaging standards, productivity benchmarking, SOPP use and alternatives, water management, logistics and feedback events.

Great progress was also made with the E-cert project (electronic issuance of phytosanitary certificates), although there are still some teething problems. The same is true for the PhytClean system for registration of orchards and packhouses for special markets. These online systems are critical in our ability to serve these markets and proved vital this past season given the COVID challenges.

Market access advancements also basically came to a standstill. Plans were in place for DALRRD Minister, Thoko Didiza, to travel to Beijing in March to sign the long-awaited pear protocol, but due to COVID-19 this couldn't happen. We are still hopeful that a virtual signing can be negotiated before the end of 2020. A small win for stone fruit was the alignment of the fruit fly and false codling moth protocols for the EU, which will simplify compliance from a grower and packhouse perspective. We are desperate for a couple of "big wins" (China pear access, Thailand apple and pears access, India in-transit cold treatment and then, down the road, stone fruit access to China).

But looking back at 2020, it could have been much worse! Agriculture, and our industry in particular, was extremely fortunate compared to the economic desecration of so many other industries.

GO TO TRADE & MARKETS

MARKET DEVELOPMENT CAMPAIGN



We will emerge from this stronger, wiser, fitter and leaner.

OUR INFORMATION AND TRANSFORMATION SUPPORT

MARIETTE KOTZE: GROUP OPERATIONS MANAGER



The year 2020 will definitely be remembered as a year that challenged the status quo in terms of how we as the collective within the South African fruit industry operate. With a renewed appreciation of what is essential and what is non-essential. The world as we knew it changed dramatically and settled into a “new normal”. Increased uncertainties will impact dramatically on the entire fruit industry and related stakeholders. Risk mitigation and adaptation is now the name of the game.

At Hortgro, we endeavour to create a customer-centric support system to address the needs of our stakeholders and to enable them to navigate through difficult times. We continuously improve our information and support systems through innovative approaches to data collection, use of technology and the dissemination of decision-making intelligence to all growers and relevant stakeholders. The key focus remains the impact on the bottom-line with reference to profitability, competitiveness and sustainability. We strive to add value from grassroots throughout the supply chain.

FROM THE INFORMATION SERVICES RENDERED, HORTGRO IS PROUD OF:

Comprehensive database

The maintenance and further development of our comprehensive database with information pertaining to growers and key stakeholders within the supply chain. Through this we were and are able to inform growers and stakeholders of the latest industry information on a regular basis. The system has proven itself as invaluable during hard lockdown to ensure that all growers and role-players were kept abreast of critical information.

Information protection

The protection of personal information is becoming a vital issue with cyber-attacks being one of the major challenges for the future. The Protection of Personal Information Act (POPI) came into effect 1 July 2020 which further emphasises the responsibility of the protection of personal information. Hortgro is continuously upgrading and maintaining our databases to ensure compliance with the act.

Strategic information maintenance

The continuous development and maintenance of strategic information including plantings and economic benchmarks and parameters is updated on an annual basis. Hortgro has switched to an on-line platform for growers to update their individual records of plantings and to access these records as and when required. This information is vital for long-term and strategic planning from production, exports, infrastructure requirements, and logistics, to inform the supply to markets.

Data Presentation

Additional to the tree census database, the information of crops that fall under Hortgro's alternative crops umbrella is also captured, and data is presented as and when needed at the various AGM's and other meetings.

Key Deciduous Fruit Statistics

Die Sagtevrugte-statistiek-publikasie bly steeds 'n gesogte en geloofwaardige brondokument vir baie produsente en belanghebbendes. Dit bevat inligting oor die kern- en steenvrugte bedrywe en sluit ondermeer riglyne in oor produksiekostes, opleistelsels en netstrukture, produksiegebiede, opbrengste- en aanplantingstendense, kultivarverspreiding, indiensnemingsyfers sowel as 'n fokus op markte en die mededingendheid van SA met ander kompeterende lande.

[VIEW STATISTICS](#)

Market information

Markinligting (plaaslik en uitvoer) word weekliks beskikbaar gestel via die Hortgro-webtuiste waar produsente, bemarkers en ander rolspelers op hoogte kan bly om beter en ingeligte besluite te neem. Hierdie markverslae word verder ondersteun deur data vanaf AgriHub sowel as die varsproduktemarkte. Ons poog ook om deur die streekskantore (Ceres, Langkloof en EGVV) die kommunikasie en inligting na produsente te verbeter.

JMF

On-going support is provided to the Joint Marketing Forums where market issues are discussed and industry role-players have the opportunity to share market information that is available in the public domain.

Uitvoer

Uitvoerskattings vir beide kern- en steenvrugte bly 'n groot prioriteit. Soos die seisoen vorder, vind opdatering deurgaans plaas deur middel van voorraadopnames in koelopberging en 'n netwerk van produsente, pakhuise en bemarkers sowel as skakeling met streekskantore.

Exchange

More efficient information exchange with southern hemisphere and Northern Hemisphere counter parts resulting in added value to our constituents.

WE CONTINUE TO ADD VALUE TO OUR EXISTING SERVICES AND TO ACT AS A CENTRE OF EXCELLENCE HANDLING AND FACILITATING INDUSTRY ENQUIRIES AND TO PROVIDE ASSISTANCE TO GROWERS IN TERMS OF FEASIBILITY STUDIES AND INVESTMENT DECISIONS.

COMMODITY APPROACH

Continued support and focus on land reform and business development as required by small scale farmers, remain a key function. The main focus is to link the administration and implementation of Comprehensive Agricultural Support Programme (CASP) funding in the Western Cape through the commodity project allocation committees (CPAC). The Public-Private-Partnership with the Western Cape Department of Agriculture has proven to be very fruitful over the past 10 years. The relationship with the Department was extended and now include support services to the Citrus CPAC and the various alternative crops, the 50 Commercial farmers' project and the Departmental Sub-Committee that deals with commodities not catered for anywhere else. A new MOU was signed to cement this relationship for the next five years.

OTHER INITIATIVES

The primary focus of Hortgro remains to create an enabling and supporting environment for new entrants by unlocking additional funding and/or finance at lower and more affordable interest rates plus technical and marketing support to ensure commercialisation. Hortgro continue to support all transformational efforts which is regarded as meaningful and impactful.

This include projects of a strategic nature such as the Overberg Cold Storage Project for black fruit producers in the Overberg to increase the integration and ownership into the value chain.

Hortgro has designed a monitoring and evaluation framework to enable the industry to monitor critical success factors of the various economic development initiatives and to track the progress made in this regard.

OUR TRANSFORMATION INITIATIVE

DFDC-SA

DR THEMBI XABA: CEO

The 2020 financial year started off with the DFDC focusing on the strategic outcomes tabled at the DFDC strategic session held in June 2019. What was fundamental was the refocus on the strategic intent of “doubling the deciduous fruit industry by 2050”. Without defining all the outcomes, important in this report, is two of DFDC-SA product offerings:

Geographical footprint; to increase the number of black producers, this expansion is targeted towards non-traditional areas;

Product chain; to influence the value chain of the deciduous fruit industry, both upstream and downstream.

SUCCESS

Department of Agriculture, Land Reform, and Rural Development (DALRRD) approved two business plans for the stimulus package, in the Western Cape.

It was reported in the 2019 annual review that an MOU was signed with the Mpumalanga Department of Agriculture, with the planned roll out of the projected to be 1 April 2020. This MOU is aligned to the Mpumalanga agriculture masterplan, and the focus on greening the province with fruit trees (economic revitalisation).

A Memorandum of Agreement has since been signed between the DFDC and Limpopo Department of Agriculture. This agreement is in line with the Limpopo provincial strategy, Revitalization of Agriculture and the Agro-processing Value Chain (RAAVC).

Engagements are at a final stage with Joe Gqabi Development Agency (JoGEDA), for (i) feasibility study in the Senqu Municipality, Eastern Cape and (ii) deciduous fruit development in the same municipality should the feasibility study recommend deciduous development. A Memorandum of Agreement between JoGEDA and the DFDC is at a ratification stage.

Discussions are underway with the Free State Department of Agriculture, the intention is to collaborate and revitalise the once vibrant deciduous fruit economy in the Free State Province, but it also aligns and fits strategically with the DFDC-SA expansion strategy.



CORPORATE SOCIAL RESPONSIBILITY: COVID-19 RELIEF

Deciduous fruit producers and industry partners working with the Western Cape Department of Agriculture, in partnership with the Gift of the Givers donated more than 10 000 bags of fruit towards COVID-19 relief intervention.

TRAINING AND CAPACITY BUILDING

Governance training was conducted for the Langkloof farmers. The training was intended to empower producers on the role of directors, but most importantly also the Company's Act of 2008. Mpumalanga producers were trained virtually in financial management. The training included compliance to tax, Unemployment Insurance Fund (UIF) and Audited Financial Statements (AFS).

INCREASING ACCESS TO MARKETS

The DFDC was funded by the Department of Trade and Industry (DTI) to participate in the Fruit Logistica, Berlin, where the DFDC was represented by the CEO. Deciduous fruit producers were funded by the Western Cape Department of Agriculture and were able to attend the trade fair in Berlin. Producers had site visits and back-to-back meetings to discuss trade relations and negotiate markets.

CHALLENGES

Due to COVID-19, the roll-out of the Mpumalanga project was deferred to 2021 as the budget was reallocated towards the Department of Health.

There were also other delays in roll out - DALRRD funding for the approved projects stimulus package. Again, lack of physical engagements with stakeholders delayed negotiations to conclude funding requirements for producers.

Challenges are obstacles that will be overcome, as we adapt to the new normal, innovation and commitment will enable us to implement transformation plans.

[DFDC WEBSITE](#)



SERVICES

DFDC COMMERCIALISATION PROGRAMME

CHRISMAINE ABRAHAMS: MANAGER

The DFDC Commercialisation Programme that was initiated in 2016, has proven that successful partnerships is a key aspect of true transformation. Strategic partnerships ensured the long-term sustainability of the project since both parties had an incentive to contribute to the success of the entity. The strategic partner can stabilise the financial position of the farm and share in the risks.

Our objective with the programme was to commercialise 21 black-owned entities. The entities that were most successful, were those with effective and mutually-beneficial partnerships in place with well-established commercial producers. Of the 21 entities we can confirm that six farms are now fully commercialised, seven farms meet the requirements with limited support still needed to develop further, whilst the remaining eight farms still require further funding and interventions. Our assessment of the current situation indicates that the latter requires a combination of financial and management support.

Nogtans het die projek bykans al die doelwitte suksesvol bereik. Die teiken in terme van aanplanting was om 307 hektaar oor 'n 4 jaar periode aan te plant; die teiken is behaal. In totaal het die projek 1 678 nuwe werksgeleenthede geskep (184 permanent, 849 seisoenaal en 645 korttermyn werksgeleenthede). Die Jobs Fund-projek het daartoe gelei dat elke entiteit se balansstaat aansienlik verbeter het. Die verwagte inkomste uit hierdie boorde sal sowat R3 miljard oor die lewensduur van die boorde beloop.

Unfortunately the programme implementation was faced with many challenges that resulted in delays of project deliverables. During the initial implementation period, the drought caused major delays in the planting schedule. Due to insufficient water availability, most beneficiaries initially opted to postpone establishment of new orchards. This had a direct impact on the creation of new jobs.

Most Jobs Fund beneficiaries also experienced lower yields due to the drought that was coupled with lower income. This resulted in a negative influence on the beneficiaries' financial position which delayed other project implementation activities. Despite all these challenges, we still managed to plant, within the four year period, the contracted hectares. The good working relationship with the Jobs Fund allowed some flexibility and we were able to adapt to the changing conditions that was not planned for.

In hierdie stadium het die projek nog nie die teiken wat gestel is vir permanente werksgeleenthede behaal nie; die teiken was om 241 nuwe permanente werksgeleenthede te skep, waarvan slegs 184 tot op hede behaal is.

Ons is optimisties dat hierdie syfer sal groei gegewe dat die poste in die langtermyn meer volhoubaar sal wees. Die impak van die projek op die hele vrugteketting en ekonomie as geheel oorskry die meeste doelwitte van die projek. Die belegging in die vestiging van nuwe boorde en ontwikkeling van infrastruktuur behoort 'n meer volhoubare omgewing vir die begunstigdes van die projek te skep.

Going forward, the industry, together with the Western Cape Department of Agriculture and other role-players, will focus on the entities that still require financial support beyond the project implementation period. We have noted that grant funding alone cannot be the only option, but that other funding models should be explored such as blended-finance. Also, along with financial support, the majority still requires management and technical support to ensure the long-term sustainability of the investment.

Find more information about this project here:

JOBS FUND INITIATIVES

CORPORATE SOCIAL INVESTMENT

TRAINING AND DEVELOPMENT

ASTRID ARENDSE: HUMAN RESOURCES

BEURSPROGRAM

Hortgro het tans 17 studente as deel van die 2020 beursprogram. Die studente is geregistreer by verskeie instansies, onder andere: Universiteit Stellenbosch, Universiteit van Pretoria, Universiteit van die Vrystaat, Elsenburg Landbou-kollege en die Kaapse Skiereiland Universiteit van Tegnologie.

A total of R1 million was spent on 2020 bursaries—on behalf of Hortgro Stone and Hortgro Pome augmented with funds from the AgriSETA. COVID-19 had a major impact on our students and many students are studying from home, via virtual classrooms. Despite all the challenges faced during 2020 we are extremely proud of our students, their hard work, commitment and their ability to adapt to the changing environment.

MENTOR EN INTERNSKAPPROGRAM

Die Hortgro Mentorskapprogram bestaan tans uit 28 interns wat by verskeie produsente en pakhuisse geplaas is. Hierdie interns is studente wat praktiese ondervinding moet opdoen as deel van hul kwalifikasie.

Die internskap dek die praktiese vaardighede wat nodig is om die fisiese werk gedoen te kry waar die mentorskap daarop fokus om die studente te bemagtig met vaardighede om die lewe beter te hanteer asook hul werkspotensiaal te ontwikkel.

MANAGEMENT AND LEADERSHIP DEVELOPMENT

In 2019 Hortgro along with a discretionary grant from the AgriSETA, funded the design and pilot phases of a Development Leadership Assessment Centre for Production Managers with Mazars Advisory as the service provider.

The key objectives of the intervention included the following:

- A leadership competency model, indicating the behaviours that are associated with a high performing production manager.
- A designed developmental leadership assessment centre.
- A skills audit against the behavioural competency model and a personal development plan with development objectives.

The programme is advantageous for three leadership layers on farms including team leaders, production managers and farm managers.

The intervention is a blended approach with facilitation and virtual facilitation.

During the past year this programme was tweaked towards a virtual platform. We are excited to roll out this programme to the industry and to equip our managers and future leaders with the right tools to lead, motivate and inspire their teams to increase productivity and job satisfaction.

AGRI'S GOT TALENT

Agri's Got Talent, a social upliftment project giving talented farm, packhouse and cellar workers in the fruit and wine industries the opportunity to showcase their singing and rap talent whilst developing their personal and life skills.

Every year 10 talented agriworkers are chosen to participate. These Top 10 finalists receive voice and stage training focussing on their singing talent as well as media training and personal development skills that forms part of the package.

Due to the COVID-19 pandemic and the lockdown regulations, the AGT team had to change their strategy and approach. Instead of the group coming together for training week, the group was split into three smaller groups. Most of the training interventions including voice training was, done virtually. Each finalist received a smart phone which enabled them to participate in virtual meetings and training sessions. The smartphone was invaluable and as the rest of the world, our top 10 finalists had to adapt to a virtual reality. Storytelling and sharing snippets of their lives via videos and photos helped build confidence and gave the Agri's Got Talent followers an opportunity to get to know our Top 10 as well as a broader view and understanding of the lives of our agriworkers.

Social media platforms played a great role in the journey of each finalist and for the first time the crowd was able to vote for their favourite finalist. Sivenathi Ndzakayi from CRI, Uitenhage was voted the Crowd Favourite 2020.

Unfortunately no Gala Evening was held this year but each performance was captured on video and shared on social media and with the judging panel. Roshdene Sampson from Sandhoek Farm in De Doorns won over the judges with her rendition of "Rise Up" and "Dance Monkey" and was crowned the 2020 AGT winner. Jenny Maarman from Diemerskraal in Wellington was the first runner up and rapper Bradwin Jonas from Rietfontein in the Koue Bokkeveld the second runner up.

AGT is a joint venture between, Hortgro, the Vinpro Foundation, the South African Table Grape Association, the Citrus Growers' Association and the Western Cape Department of Agriculture.

INDUSTRY SERVICE ENTITY

SAPO TRUST

SHAWN COETZEE: CEO

The 2019/20 year marked a challenging yet exciting year for SAPO Trust. Amidst the challenges brought about by the COVID-19 pandemic and the persistent effect of the drought experienced in the Western Cape in recent years, new plantings came under pressure which in turn affected tree and vine sales, as well as budwood demand from nurseries. Conversely, SAPO has managed to attract new fruit varieties to its IP management basket and continued to increase the quantity of certified material to its customers.

SAPO, as a leading plant improvement organisation (PIO) in the deciduous fruit industry, has made concerted efforts to prioritize plant improvement as a key facet of the business. SAPO therefore continued to lead the quest towards encouraging the use of certified plant material in line with the requirements of the Deciduous Fruit Plant Certification Scheme to the long-term benefit of its clients. SAPO continued to offer a full suite of PI services and employs several specialists in the fields of pathology, virology, horticulture, viticulture and IP specialists.

STRATEGIC HIGHLIGHTS

Following the appointment of its new Board Chairman in 2019, the organization's corporate governance structures have been strengthened with the introduction of a Human Resources Committee. A newly constituted Audit Committee also took office during the review period—financial sustainability, risk management and sound financial governance is the main priorities of this sub-committee. SAPO received another clean audit during the review period attesting to sound financial governance and effective management systems.

All SAPO's shareholder organizations, being the five producer associations within the deciduous fruit industry, prioritizes plant improvement. Serving the producer with quality plant material at cost-effective prices therefore remain a key focus area for SAPO with several investments been made to ensure that these outcomes are achieved. Over the last year, SAPO has again increased the number of inspections performed on plant material supplied to its 59 contracted nurseries and has further expanded its test scope of its pathology laboratory to enhance the phytosanitary status of plant material issued.

The investment into the industry's Tissue Culture Facility (TCF) is starting to gain traction with research and development initially conducted at the SAPO laboratory. TCF, structured as a separate business entity, has appointed a team of tissue culture experts, and are earmarking the year 2021 to supply the first plants to industry for sale. Producers are therefore encouraged to place their orders early to secure availability of tissue culture rootstocks inherent benefits on plant production.

OPERATING HIGHLIGHTS

Plant Material Supply

Despite the challenges of the 2019/20 season and with the supply of plant material by SAPO being lower than the previous year, volumes remained relatively high compared to former years.

Die vraag na tafel- en droogdruifplantmateriaal was steeds hoog en in lyn met die volumes van die vorige jaar. Die vraag na die droogdruifkultivars Selma Pete, Sugra 39 en Merbein Seedless toon steeds 'n opwaartse neiging.



Peach and apricot seed demand from the nurseries decreased by 45%, compared to the previous planting season due to the lower demand for seedlings. The demand for clonal stone fruit rootstocks (GF677, Flordaguard and Viking) were higher with shortages in the supply of Atlas rootstocks. The availability of peach and apple *in vitro* rootstocks also increased during the 2019/20 planting season. The demand for cherry rootstocks declined during the past year.

Imports were enhanced due to the special permission obtained from the Department of Agriculture on the import regulations in collaboration with the Italian Ministry of Agricultural services through CAV and Vitroplant in Italy. The top Geneva performing apple rootstock (G.778) supplied to nurseries increased substantially during the 2019/20 season. Although 70% of *in vitro* material is still being imported, good progress has been made with local initiation and propagation of *in vitro* material. With the establishment of TCF, the supply should be further augmented in coming years.

Die verskaffing van steenvrugplantmateriaal aan kwekerie gedurende die herfs, winter en somer van 2019 het met 29% afgeneem. Dié afname is grootliks as gevolg van 'n laer aanvraag na nektariens en pruime. Die verskaffing van appelkoos- en perske-plantmateriaal het gestabiliseer in vergelyking met die vorige seisoene met die vraag na kersie plantmateriaal wat steeds toeneem.

The demand for pome fruit plant material has decreased with 22% (apples -28% and pears -5%). Big Bucks (Flash Gala™) attracted the highest demand followed by Granny Smith, Fuji Royal (new improved Fuji strain), African Red, the lower chilling Afri varieties (ARC and Culdevco) and Mahana Red.

Pear varieties that were popular included Forelle, Cape Rose (Cheeky™), Celina and Packham's Triumph. The new Rosemarie selection with better colour, was also in high demand.

The establishment of new foundation and mother blocks/bud wood parks for pome and stone fruit, table and drying grapes were a priority and was done in accordance with the Plant Certification Scheme requirements.

PLANT PATHOLOGY

The pathology laboratory maintained its status as an ISO 1725 accredited laboratory after the SANAS audit done during 2020. This accreditation serves as confirmation of recognized Good Laboratory Practices, as an important enabler of constantly advancing the organisation plant improvement capabilities.

The laboratory has expanded its testing scope with proven capabilities on viroid testing endorsed by the Stellenbosch University Division of Plant Virology. Subsequently, a total of 66 600 ELISA tests and 1 345 PCR tests have been performed during the reporting period.

NURSERY SERVICES

The Riviersonderend based nursery produced a total of 980 000 pome and stone fruit rootstocks which included mainly M7, MM109, Viking, Flordaguard, Atlas, Marianna, BP1 and OHFD40.

In addition, 70 000 commercial trees were produced on order from producers which also included trees propagated on Geneva rootstocks—mainly G.202, G.222 and G.778. The nursery has increased its capacity to produce low-chill apple varieties based on the growing demand of producers.

VARIETY DEVELOPMENT AND IP MANAGEMENT

From October 2019 to September 2020 the Variety Development and Intellectual Property management (VDIP) unit at SAPO has undergone significant changes. A bouquet of unique skills were added which increases SAPO's capacity to provide intellectual property and contract management services with improved IP management systems.

During this period, SAPO has secured five new IP contracts, and added a handful of new additions to its stable of deciduous fruit varieties. In total, 32 new Plant Breeders' Rights (PBR) applications were submitted on behalf of IP Licensors, 23 new Variety Listing applications were made and 14 PBR's were granted.

[VISIT WEBSITE](#)

INDUSTRY SERVICE ENTITY

FRUITFLY AFRICA

NANDO BAARD: MANAGER

With climatic conditions during the 2019/20 season in most of the regions under the FruitFly Africa (FFA) area-wide population management program being favourable for rapid fruit fly population growth, one would have expected FTD's (flies per trap per day) in these areas to be much higher than those actually experienced during the harvest season. In most areas, populations were at similar levels than they were during the 2018/19 season, with the exception of the Hex River Valley and the Langkloof where much lower levels were experienced whilst higher levels were recorded in the Lower Orange River and Vyeboom areas.

This successful population control can be attributed to a variety of factors, including an aggressive winter programme, an integrated approach to hotspot management, the fact that aerial baiting commenced before population levels reached high peaks and the fact that producer cooperation in the program seems to be increasing.

Gedurende die seisoen is 'n totaal van 6 900 lokvalle oor 'n area van 32 639 hektaar weekliks gemoniteer. Die data is weekliks aan produsente versprei.

Daar is ook 48 area-wye lugspatte met GF-120 oor 'n oppervlak van 167 025 geplante hektare toegedien.

Vanaf die eerste week in Oktober 2019 is daar ook weekliks in die Wolseley, Warm Bokkeveld, Hexriviervallei en Elgin/Grabouw areas 'n totaal van 56 miljoen steriele mannetjie medvlieë per week uit die lug losgelaat. Steriele vlieë is ook elke week met grondloslatings in Tulbagh en Vyeboom gedoen. Lugloslatings is tydens die laaste week in Mei 2020 gestaak en daar is in alle areas voortgegaan met grondloslatings tydens winter.

Nie net verseker die area-wye geïntegreerde plaag beheer programme vir medvlieg dat die fitosanitêre risiko's wat met die vlieg gepaard gaan bestuur word nie, maar dit verseker ook proaktiewe en vinnige reaksie op ander indringerplae. 'n Voorbeeld hiervan is die uitrol van aksieplanne vir *Bactrocera dorsalis* (BD). In areas waar FruitFly Africa betrokke is, word daar vir hierdie plaag gemoniteer om pro-aktiewe stappe vir die voorkoming van die vestiging van die pes te verseker. Sodoende verseker FFA dat praktyke in plek is om pesvestiging in 'n gebied te voorkom. Daarbenewens word onderbrekings van vrugte na pakstoor en mark beperk.

During the past season the industry had BD interceptions in two different areas under the FFA fruit fly monitoring program. In all of these cases a delimiting (high density) survey was implemented and in one instance the Male Annihilation Technique (MAT Blocks) was used as control measure. Since then no further catches have been made in these areas. This practice to safeguard production regions will continue in the 2020/21 season.

Tydens die referendum (Feb/Mrt 2020) oor die voortsetting van statutêre maatreëls vir die area-wye beheer van vrugtevlieë het alle areas gestem vir die voortsetting van die program. Een nuwe area (asook droogdruwe in 'n bestaande area) het ook vir die eerste keer statutêre maatreëls vir die Benede-Oranjerivier ingestem. Na aanleiding van die stemproses sal meeste van die steriele mannetjie-loslatings voortaan uit die lug gedoen word, met Tulbagh wat ook vir die eerste keer vir hierdie opsie gestem het. Sowat 42 000 hektaar word nou uit die lug gedek (dit sluit Wolseley, die Warm Bokkeveld, Tulbagh, die Hexrivier en Elgin/Grabouw in), terwyl ±2 500 hektaar se loslating steeds vanaf die grond sal geskied. Lugloslatings in hierdie areas sal jaarliks in Oktober begin en tot einde Mei die volgende jaar duur. Die res van die jaar sal probleemkolle en alternatiewe gashere steeds vanaf die grond geteiken word.



THE STRIDES MADE IN POPULATION CONTROL TO ACHIEVE RESULTS OF THE PAST COUPLE OF SEASONS WOULD NOT BE POSSIBLE WITHOUT THE COOPERATION OF ALL RELEVANT ROLE-PLAYERS. AS ALWAYS FFA WOULD LIKE TO THANK ALL THE PRODUCERS AND INSTITUTIONS WHO ARE HELPING TO KEEP THIS PEST AT BAY IN THE INTEREST OF THE WHOLE INDUSTRY.

[VISIT WEBSITE](#)

INDUSTRY SERVICE ENTITY **CULDEVCO (PTY) LIMITED**

DR LEON VON MOLLENDORFF: MANAGER

Culdevco het die afgelope jaar voortgegaan met die evaluasie, bemaking en kommersialisering van kultivars soos ooreengekom in Maart 2018 tussen die LNR en Culdevco.

Culdevco se inkomste gedurende die 2019/20 boekjaar was bietjie hoër as wat aanvanklik begroot is. Die verhoogde inkomste kan hoofsaaklik toegeskryf word aan 'n verhoogde tantième-inkomste vanuit die buiteland asook beter inkomste vanuit produksie-tantième binne Suid-Afrika. Hierteenoor is die inkomste-vooruitsigte vir die 2020/21 boekjaar betekensvol laer as die vorige jaar.

Dié laer as begrote inkomste kan hoofsaaklik aan die volgende redes toegeskryf word:

- Die inperkingsregulasies as gevolg van die COVID-19 pandemie en die uitdagings wat daarmee gepaard gegaan het en produsente se vertroue met betrekking tot nuwe aanplantings geskaad het.
- Die voortslepende drooggetoestande wat hoofsaaklik nog in die Klein-Karoo voorgekom het en wat sagtevrugte-produsente in dié streke onder enorme finansiële druk plaas.
- Die uitsonderlike warm hittegolf gedurende die lente in veral die Klein-Karoo-streek wat tot 'n swak vrugset en opbrengs van veral laatblom-pruimkultivars tot gevolg gehad het.
- Die algemene swak ekonomiese toestande in Suid-Afrika en die risiko's wat daarmee saamgaan.
- 'n Betekenisvolle afname in boom- en druiwebestelling van alle vrugsoorte (d.i. vir plant in die winter van 2020).
- Die afname van nuwe kompeterende kultivars wat uit die LNR-teelprogramme kom.

BBBEE ACTIVITIES

Culdevco has made significant progress to comply with the BBBEE requirements as agreed in the Culdevco/ARC agreement. In this regard about 35% of trees from Culdevco licensed cultivars were propagated by BBBEE compliant and certified nurseries. Culdevco also made significant contributions to support emerging producers to establish pome and stone fruit cultivars in the Western Cape. Culdevco is also involved in the establishment of a fruit orchard in a black community, Winconton Estate in Kwanobuhle, in Uitenhage. Culdevco played a leading role in the training of 20 prospective black producers from this township in the cultivation of deciduous fruits, whilst with the assistance of Distell and the provincial Eastern Cape Development Chamber low-chill apple orchards and water purification systems were established for this community.

NUWE KULTIVAR- VRYSTELLING

Die eerste pitlose droogdruif uit die LNR-teelprogram, genaamd "Sundowner", is in Januarie 2020 in Upington aan die rosynebedryf vrygestel. Dit het saamgeval met 'n suksesvolle velddag wat deur ongeveer 140 produsente bygewoon is. Sundowner word een week voor Sultana H5 ryp, het 'n uitstekende en betroubare opbrengs jaar na jaar en produseer 'n hoë-kwaliteit songedroogde rosytjie. Sundowner presteer ook tans baie goed in die Wes-Kaap en Olifantsrivier areas, maar verdere evaluasie is nog nodig in die Oranjeriviervallei.

OTHER PROMISING CULTIVAR DEVELOPMENTS

Culdevco continued to intensively evaluate a number of pome and stone fruit, table grapes and raisin grapes falling under the Culdevco/ARC agreement. Culdevco uses experienced independent evaluators, technical advisors, producers and exporters/marketers to assist in identifying new cultivars that will keep all our clients ahead of our competition.

The following promising selections are in an advanced stage of evaluation:

- A full red lower chill apple selection with excellent eating quality that ripens mid-December in the summer rainfall region.
- An early red blush pear cultivar that ripens in week 52/week 1, called Cape Blush-P07-03, as well as four promising blush pear selections that ripen from week 2 to 5.
- An early ripening red seedless table grape with a crunchy texture, called Queen Ruby, is ready to be released in 2021.
- Three new mid-season (ripening from week 1 to 5) red plum selections with exceptional taste have been established in different evaluation sites that will form part of the independent Provar evaluation programme.
- A promising new early ripening (week 47) yellow clingstone nectarine with a unique taste that will form part of the Nectargold® range of yellow nectarines.
- One promising canning peach, PE10-20, which ripens with Kakamas.

MARKETING OF CULTIVARS OUTSIDE SOUTH AFRICA

Over the past years Culdevco visited Spain, France, Italy and Greece to market Culdevco varieties. Due to these and previous visits, plum cultivars such as Ruby Star, African Rose and Sun Kiss are now planted commercially in France, Spain and Italy. The licensee of Culdevco in France is set to start with commercial plantings of Flavour Star in 2021. The first commercial orchard of African Delight® plum was also established in Chili, while a semi-commercial trial of 5 ha of three Nectargold® cultivars were planted in Greece. Culdevco is responsible for technical and marketing support to the licensees in these countries.

The management of Culdevco wishes to thank its board members for their valuable inputs on strategic matters as well as their loyal support over the past years. Lastly, Culdevco also wishes thank all our stone, pome, table and raisin grape growers for their continued support in planting Culdevco licensed varieties in recent years.

[READ MORE HERE](#)

[VISIT WEBSITE](#)



INDUSTRY SERVICE ENTITY

HORTFIN

MICHAEL BRINKHUIS: CEO

The approval of the first Hortfin project at the credit committee in late September 2019 was met with much excitement. The second approval was in quick succession and occurred in October 2019. Hard lessons were learnt along the way which gave rise to developing new processes while tweaking others to fine-tune and craft the operational processes and procedures for Hortfin.

Hortfin, the fledgling development initiative of the deciduous fruit industry, attracted much interest and applications were received at regular intervals, building into a decent pipeline of projects.

'n Groot uitdaging was altyd om die prosesse, denkpatriene en evaluering van transaksies te belyn tussen die Landbank, wie se prosesse meer gepas is vir kommersiële finansieringsoplossings, en Hortfin wat 'n nie-onderhandelbare ontwikkelingsmandaat nastreef. Geweldig baie tyd is gewy om amptenare in verskeie rolle binne die LandBank-sisteem "aanboord" te kry en te oorreed om die Hortfin-projek met 'n "ontwikkelingsbriël" te evalueer. Dit het ook gelei tot 'n werkswinkel tussen Hortfin en Landbank in Januarie 2020 wat ten doel gestel het om 'n "ander" manier van implementering te bekragtig.



The third Hortfin project was approved in a record time of three months - from date of submission, to the credit process, till final approval. It provided renewed hope that the "on-boarding" efforts were yielding results.

Recognition is due to the bank's thorough systems of initial checks for credit and other risks of applicants and their business associates. This process serves as the first filter to screen applicants before too much time, effort and manpower are invested in evaluating the deals. This effectively resulted in some deals that could be flagged and terminated at an early stage in the process. Hortfin operations continued servicing a healthy and growing pipeline of deals in the early part of 2020 while at the same time appointing a few new staff members.

The year however took an unexpected turn with the global outbreak of COVID-19. While many was still trying to make sense of this startling event, the impact of the virus forced the South African government to introduce a series of containment measures which included a state of lockdown.

Hortfin projects were also affected by the restrictions and regulations brought about by the reaction of government to the outbreak which gradually reached pandemic status.

Projected farm planning schedules such as soil preparation which had to commence in the early parts of 2020 were thwarted by the regulations and restrictions imposed by government. The projected job creation targets were also affected as a result.

The switch to conducting business and meetings via virtual platforms gradually became the new mode of operation.

In a short period of time many businesses and industry operators became adept to this new mode of conducting business and gradually a feeling of progress towards some form of normality developed.



It was again proven however that unfortunately not all institutions have the ability and are agile enough to adapt to such changes in their operating environment because the restrictions and regulations hamstrung certain components of the deal evaluation processes within the bank's system. Land Bank placed a total restriction on movement of personnel preventing any form of travelling which resulted in physical project site assessments/inspections not being able to be performed. This had a major impact on turn-around times and led to much frustration and tension among partners and unhappiness from clients. While project partners were still negotiating ways to find practical solutions to this situation, the media published a series of articles revealing the Land Bank's liquidity challenges, which delivered a further shock to the programme and industry partners.

In the spirit of true partnership, the other funding partners of Hortfin swiftly agreed on a solution in order to salvage the situation. An interim funding mechanism, through which larger contributions were ensured, created an uninterrupted flow of funds and services to the approved businesses.

To date, five projects to the value of R114 million have been approved. The first two projects have since established the new orchards, acquired their equipment and implemented the funding according to their respective project plans.

THOUGH THE DISBURSEMENTS ARE STILL BEHIND TARGET, THE LOANS DISBURSED THUS FAR HAVE CREATED MORE JOBS THAN INITIALLY PROJECTED.

The industry partners can be proud of the achievements after an extremely challenging year. The focus now shifts to fast-track the processes whilst continuing to service the valued clients of our industry.



INDUSTRY SERVICE ENTITY

FRUIT WORKERS' DEVELOPMENT TRUST

WIMPIE PAULSE: CHAIRPERSON

Die afgelope jaar was 'n uitdagende jaar vir individue en vir besighede. Die COVID-19 inperkingsregulasies het groot impak gehad op besighede en beleggings. Dit het natuurlik die Fruit Workers' Development Trust (FWDT) ook geraak.

Desnieteenstaande kan die FWDT steeds terugkyk op 'n goeie jaar met verskeie transaksies en beleggings deur die FWDT. Hier moet ons mnr. Stephen Hobson en die administratiewe span by Hortgro krediet gee. Die FWDT kon in hierdie uitdagende tyd ook steeds 'n dividend aan sy begunstigdes verklaar.

In hierdie jaar het dr. Konanani Liphadzi, vorige hoof uitvoerende beampte van FruitSA, haar as trustee by FWDT aangesluit. Saam met haar kom 'n rykdom van ervaring en ondervinding wat net tot voordeel van die Trust kan strek.

Hierdie hoë profiel aanstelling en ook prestasie met beleggings, gee ons baie hoop vir die toekoms en ons kyk vorentoe, om van krag tot krag te gaan.

Ons dank aan Stephen Hobson, Anton Rabe en die Hortgro-span en ook die Trustees van die FWDT.

[READ MORE HERE](#)



INDUSTRY SERVICE ENTITY

DECIDUOUS FRUIT INDUSTRY DEVELOPMENT TRUST

ISMAIL MOTALA: CHAIRPERSON

The Deciduous Fruit Industry Development Trust (DFIDT) manages the Deciduous Fruit Board's remaining assets, and is administered by Hortgro.

Trustees may only allocate the return on capital to projects. Due to relatively low interest rates the last few years, a decision was made to invest the funds. Currently the DFIDT has R16 470 307 invested.

Since the inception of the DFIDT Bursary Programme in 2016, 10 previously disadvantaged students received bursaries of which eight students graduated and the remaining two will graduate in 2021. All 10 students were enrolled at Stellenbosch University in the following fields: Agriculture, Horticulture, Agri Business Management and Agricultural Economics.

**OVER THE FIVE YEAR PERIOD
FROM 2016 – 2020, A TOTAL OF
R 1.3 MILLION WAS SPEND ON THE
DFIDT BURSARY FUND.**

[READ MORE HERE](#)



INDUSTRY SERVICE ENTITY TISSUE CULTURE FACILITY

CHARMAINE STANDER: MANAGER

Gedurende die afgelope jaar het die bedryf belê in 'n weefselkultuurfasiliteit naamlik die Tissue Culture Facility (Edms) Bpk. (TCF). Die belangegroep in TCF is Hortgro Stone, Hortgro Pome, SATI, IPV, Raisins SA en SAPO.

Die doel van hierdie fasiliteit is om siektevrye, DNA-egte kern-en steenvrugte, sowel as wingerdonderstamme aan die bedryf te verskaf. TCF gaan nie kwekerybome produseer nie. Daar sal gefokus word op kultivars wat moeilik deur tradisionele metodes vermeerder word. Hierdie fasiliteit sal help om die tekorte van sulke materiaal aan te spreek. Die beplanning sluit ook 'n plantkwarantyn-afdeling in.

In June 2020, the operations was officially started by SAPO TRUST (Stellenbosch). The laboratory area was leased where Charmaine Stander and Gizela Saal began the first development work. Chemicals was purchased and the laboratory area is established for the first initiations. Apple and vineyard hardening experiments were done in SAPO tunnels. In September 2020, the first stone fruit initiations were started.

Die oprigting van die afdelings en uitgroeitonnel is in Augustus 2020 begin. Dit behoort in Januarie 2021 voltooi te wees.

In Oktober 2020 is daar in die plaashuis op Bernheim 'n tydelike laboratorium opgerig sodat werksaamhede daarna kon verskuif. Daar is begin met die appel-inisiasies. Middel Oktober 2020 is die eerste personeellede aangestel. Tans is daar ses kontrakwerkers werksaam by TCF.

AT THE END OF DECEMBER 2020, A TOTAL OF 12 000 BUDS HAD BEEN INITIATED, OF WHICH THE MOST ARE APPLE CULTIVARS (8 800). THE FOCUS NOW SHIFTS TO THE PROPAGATION OF THE ESTABLISHED SEEDLINGS ON THE OPTIMAL MEDIUM RECIPE.

The opening was held in November 2020 and Dr. Ivan Meyer, Western Cape Minister of Agriculture, was present at the opening of the ceremony. The Western Cape Department of Agriculture also helped fund the project, for which we are very grateful. The aim of the facility is to work with the industries and benefit all producers.

[READ MORE HERE](#)

[TCF WEBSITE](#)

ALTERNATIVE CROPS

CAPE FLORA SA

FRANCOIS PRINS: CHAIRPERSON

The 2019/20 period has been an exciting time for Cape Flora SA (CFSA) which concluded its sixth year of full operations in its current form as an inclusive industry body representative of the value chain. It was a year of two halves. June 2019 to January 2020 was good for export volumes increasing by 15% on the previous year, notwithstanding a sub-par All Saints in November. February to May 2020 on the other hand was a challenging period with export volumes decreasing by 52% on the corresponding period in 2019.

The main culprit for the poor performance in 2020 was the various lockdown phases and restrictions on farm and trade activities with the demand for flowers running into a proverbial brick wall.

As a result, the 2020 Valentine's Day was a non-event and the Dutch auction, Royal Flora Holland, crashed and ceased trading on 13 March due to national lockdowns and closing of international borders.

Our own Multiflora stopped trading on 16 March after President Cyril Ramaphosa's declaration of a State of Disaster on 15 March. Exports declined by 15%, 61%, 84% and 40% respectively from February to May. Annual performance on export volume was reasonable as volume was only 3% down on the previous year.

Die klein afname in uitvoervolumes het beteken dat die statutêre heffing wat op alle uitvoere van fynbos -produkte wat in die koue-ketting van toepassing is steeds 'n stabiele befondsingsbasis vir CFSA was. Benewens die hoofokus van die heffing wat vir tegniese (produksie en na-oes) navorsing en inligting benut word, het CFSA ook weer vanjaar op ekonomiese ontwikkeling en opleiding gefokus.

The impact of COVID-19 was more severe on the producers as weaker prices due to freight rate increases of up to 200% in USD terms and an initial 30% weaker ZAR further exacerbated the freight cost in Rand terms. Freight cost will only decrease once air traffic and competition increase due to normalization of air transport and tourism.

Die vooruitsig op Suid-Afrika se ekonomie is 'n groot bekommernis. Swak groei en ekonomiese en politieke onsekerheid het veroorsaak het dat Moodies in Maart die land se risiko-gradering verder afgegradeer het. Die regering het betekenisvolle befonding beskikbaar gemaak vir mediese en ekonomiese ondersteuning wat sou veroorsaak dat die regering se skuldvas tot 90% van die BBP sal verhoog het. Ongelukkig is daar bewyse van grootskaalse korrupsie met die gebruik van hierdie fondse blootgelê. Dit veroorsaak sterk kritiek van meeste organisasies en behoort kriminele aanklagte tot gevolg te hê. Hopelik sien ons spoedig 'n paar manne (en vroue) in oranje pakke.

VISIT WEBSITE



ALTERNATIVE CROPS

SA OLIVE

NICK WILKENSON: CHAIRPERSON

Due to favourable weather conditions and an "on year" for the South African olive industry, there was a 30% increase in the production of extra virgin olive oil in 2020. The same results apply to the table olive industry. Table olive production is the smaller industry, but it also makes a big contribution towards employment. Table olives, and most of the oil olives in South Africa, are handpicked and therefore create employment for many people during the time period that other Western Cape industries, like fruit and wine, are quiet.

Die groei van die bedryf word weerspieël deur die aantal olies wat aan die 2020 SA Olive-kompetisie deelgeneem het. Vanjaar het 104 olies ingeskryf, waarvan 34 goue medaljes verwerf het, 47 silwer en 20 brons. Die eindsom is dat 97% van die ingeskryfde olies medaljemateriaal was. Die goue medalje wenner het ook meegeding vir die gesogte Absa Top 10 trofee. Die Absa Top 10 kompetisie erken uitsonderlike gehalte ekstra suiwer olyfolie en help om die bedryf in die kollig te sit.

Our voluntary Commitment to Compliance (CTC) certification scheme continued to run effectively thanks to the stellar work of our Organoleptic Tasting Panel. The Panel meets on a fortnightly basis to taste and rate olive oil samples, in line with internationally accepted methods. This year the scheme tested over 200 oils from local producers for certification purposes.

Engagement with government has been active. The Alternative Crops Fund, driven by the Western Cape Department of Agriculture, funded two research projects. The one investigated the lace bug (*Tingidae*) and flea beetle (*Argopistes spp.*) species affecting olive trees in the Western Cape and the other characterised the soilborne pathogens associated with commercial olive trees. Both these will provide essential basic information needed for the effective management of the pests and diseases.

Die SA Olive-mentorskapprogram, wat fokus op individuele ontwikkeling van werkers in die bedryf, het vanjaar 'n welkome finansiële hupstoot gekry met befondsing van AgriSETA se "Rural Structures"-program. Die mentorskapprogram is al meer as 'n dekade aan die gang en daar is verskeie suksesverhale van mense wie se potensiaal ontsluit is tot voordeel van hulself, hul werkgewers, asook hulle gemeenskappe.

The statutory levy continues to form the lifeline of the industry with 2020 being the last year of the second four year cycle. An application for the renewal of the levy has been submitted to the National Agricultural Marketing Council as a steady income stream is needed to develop the industry further. Thanks to tangible advantages for members, the number of member registrations has increased constantly through the last four year period.

Ons beoog om in die volgende maande te fokus op generiese bemerking van die kwaliteit van plaaslike olyfolie en die werksgeleenthede wat deur die bedryf geskep word.

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ALTERNATIVE CROPS

POMEGRANATE ASSOCIATION OF SOUTH AFRICA

CARNEL GEDDES: CHAIRPERSON

Terwyl die granaatseisoen in April 2020 in volle swang was, het die koronaviruspandemie die wêreld laat stilstaan!

Om die granate ge-oes en gepak te kry met streng veiligheidsprotokolle in plek was 'n groot uitdaging en daarna was verskeping en bemarking besonder moeilik. Ten spyte hiervan is heffings soos begroot ingevorder en kon POMASA sy werksaamhede sonder noemenswaardige aanpassings voortsit.

Lockdown also caused the research projects to pause for a few weeks and as a result some parts of the projects will have to be repeated. The POMASA Board considers the continuation of these research projects of vital importance to the industry and will therefore fund it to conclusion.

Phytosanitary pests such as false codling moth (FCM) pose a big risk for the pomegranate industry and we are very happy to report that the pomegranate FCM management system which we had devised and implemented three years ago, is proving to be successful. We cannot rest on our laurels though—so alternative methods to enhance the management of pests such as FCM are currently being investigated. Our ongoing research projects also incorporate research in this regard.

The three main varieties of pomegranates planted in South Africa are Wonderful (76%), Herskowitz (9%) and Acco (9%). Wonderful and Angel Red account for the most new plantings in 2020. With 19% of the total pomegranate plantings in South Africa currently having been planted in Limpopo, it is the province where we are currently seeing the fastest growth in the industry. The Limpopo orchards are still young but it will have a big influence on the industry by shifting the South African season earlier.

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The export volume for 2020 was approximately 6% lower than in the 2019 season with a total of 1 573 044 cartons (3.8kg equivalent) exported. The Middle East remain the main market and continue to grow, with the EU as the next key destination.

Accessing new markets is a high priority. To this end POMASA funded the compilation of a Phytosanitary Information Package (PIP) for pomegranates which will serve as the first step to the process of opening new markets. The minimum standard for export pomegranates was reviewed by all role-players in the industry with recurring dispensations being incorporated to streamline the export process. POMASA is also investigating ways to focus market attention on the excellent internal quality of South African pomegranates.

As gevolg van COVID-19 is daar noodgedwonge meer granate plaaslik verkoop. Hiermee saam was die plaaslike prosesseringsmark steeds sterk en is 'n toename van 11% in plaaslike verkope aangeteken. Heffings op plaaslike verkope is hierdie jaar vir die eerste keer ingesamel en dit help beslis waar die afname in uitvoere die bedryf finansiële knel.

POMASA conducted a survey to understand how transformed our industry is. The information gathered showed that 18% of current plantings are black-owned. POMASA supported its black growers through enterprise development initiatives and funded bursaries to enhance capacity in postharvest quality.

WE ARE ENCOURAGED THAT OUR INDUSTRY IS EXPANDING THROUGH NEW PLANTINGS AND ACROSS THE COUNTRY. WE ARE PARTICULARLY PLEASED THAT THE INDUSTRY APPEARS TO APPEAL TO YOUNG GROWERS.

SOUTH AFRICAN PECAN NUT PRODUCERS' ASSOCIATION NPC

ANDRÉ COETZEE: MANAGER

Looking back at 2019 the SAPPA directors conveyed the message that the pecan nut industry has a bright future. Despite many challenges, this is still our view.

The COVID-19 pandemic had a huge negative impact on most economies around the world, influencing some industries to a lesser and others a greater extend. Our first impressions were that the pecan nut industry would virtually be unscathed by the pandemic as most producers could carry on as normal and processors also didn't have major complications. But as time progressed it became obvious that the industry was negatively impacted, especially from the demand side leading to lower prices of nuts.

The 2020 SA Crop was as expected to be the biggest crop, to date given, the new plantings of recent years.

This increasing rate will be a reality for quite some time to come. With an estimated hail damage of 3 000 tons in Vaalharts, the production was still more than 21 000 tons. At this early stage the 2021 crop looks promising and a conservative forecast of 23 000 tons looks more than attainable.

Sedert die instelling van die statutêre heffings in 2012 is navorsing SAPPA se grootste uitgawe. Dit sal steeds die geval wees vir die huidige vooruitskattingsperiode tot 2024/25. Die identifisering en prioritisering van navorsingsbehoefte word bepaal in samewerking met produsente. Die navorsers wat projekte hanteer gee jaarliks terugvoer wat in die *SA Pekan* tydskrif gepubliseer word.

Die verskillende COVID-inperkings het aanpassings in die aantal deelnemers by die beplande opleiding sessies vir 2020 genoodsaak. Boordbesoeke, in samewerking met die Universiteit van die Vrystaat, moes in sommige gevalle beperk word tot die insameling van monsters, of is afgestel. Snoeikursusse is altyd baie gewild maar slegs 'n klein aantal kursusse kon vanjaar aangebied word. Daar is videos van die aanbiedings gemaak en op die webtuiste geplaas. Dit het produsente wat nie normaalweg die kursusse sou bywoon nie bereik, en baie positiewe terugvoer is ontvang. 'n Kursus in besproeiing en waterbestuur wat vir 2020 beplan was, is tot 2021 uitgestel.

Om produsente met goeie inligting te bemagtig, bly een van SAPPA se grootste uitdagings. Gedurende die afgelope ses jaar is bestaande kommunikasiekanale verbeter en nuwe kanale bygevoeg. Die SAPPA-webtuiste is ook opgegradeer. Nuusbriewe en ander inligting word per e-pos aan lede gestuur. Die beskikbaarmaking van inligting is egter slegs een deel van kommunikasie en dit bly lede se eie verantwoordelikheid om seker te maak dat hulle die beskikbare inligting lees. Daar is ook baie gevalle waar kontakbesonderhede verander en nie deurgestuur word nie.

The export standards for in-shell pecan nuts have been revised and will be presented to DALRRD for approval and promulgation.

The local sales of pecan nut trees decreased for the third consecutive year. This downward trend in the demand resulted in an oversupply and in some cases lower tree prices. The overall competitiveness of nurseries increased, with a positive effect on the quality of trees.

The 2020 transformation programme is progressing according to plan and is well on its way to reach the objectives set for the current four year statutory cycle. The objective is to assist 40 new beneficiaries and plant 12 000 trees during this period. This year, a total of 34 existing and 12 new beneficiaries were assisted to plant more than 3 000 trees. Some of the existing successful beneficiaries, who show the potential to become commercially viable pecan nut farmers, have been identified and will be assisted to reach this objective.

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ALTERNATIVE CROPS

SOUTH AFRICAN FIG PRODUCERS' ASSOCIATION

BRETT SANDER: CHAIRMAN

The 2020 fig season was a challenging one to say the least, for the obvious broad reaching reality of the COVID-19 pandemic. South African figs are known for its superior eating quality and has been marketed at a price point in line with this quality, mainly to the Northern Hemisphere. The route to export markets is solely dependent on air freight which became a massive challenge when planes were grounded during the various stages of lockdowns locally and internationally.

The coming season offers some promise as strong rains this year have offered relief from a four year drought. This drought period had seen a further challenge develop for the industry namely in the form of the pest-fig stem borer-for which there is currently no control strategy. A research project funded by the Alternative Crops Fund of the Western Cape Department of Agriculture has just kicked off to find possible control measures for this pest.

FIG TRENDS

- South Africa exported an estimated 182 tons of figs in the 2019/20 season, which is 48.5% less than the previous season mainly due to export challenges
- 213 ha commercial fig plantings
- UK and Far East are main export destinations with development in the Euro area and Middle East.

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HORTGRO IN PICTURES



Rossouw Cillie van Laastedrif skenk vrugte en groente aan mense in nood



Rubystar, one of Culdevco's top licensed plum cultivars



Witte Wijn apple, the first-ever apple variety picked in the Cape in 1662 now seen in Tru-Cape Heritage Orchard at Oak Valley Estate, in Grabouw



DFDC: Fruit being donated to communities by the Gift of the Givers



Louis van Zyl, Anton Rabe, Minister of Agriculture Ivan Meyer, and André Smit at the Tissue Culture Facility opening



Joyene Isaacs former HOD of Department of Western Cape receiving the Hortgro 1662 Industry Award for years of excellent service



Agri's Got Talent top 10 by Goudini Spa tydens opleidingsweek



Our transformation team from left: Ullrich Arendse, Mariette Kotze, Chrismaine Abrahams and Xolela Dliikillii



Olive harvesting performed by hand



The graduation group who received their leadership diplomas in Tulbagh

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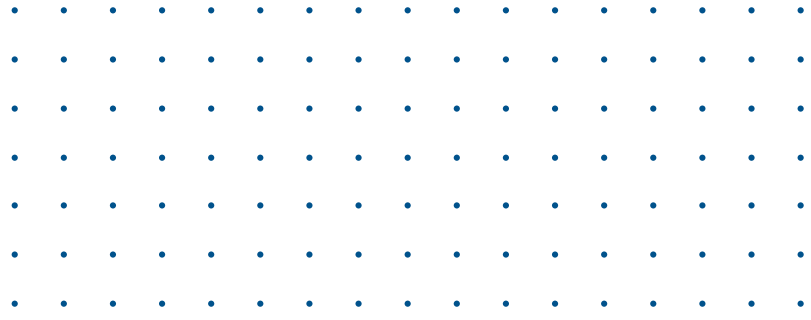
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