ANNUAL REPORT
2024/2025

PPECB

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PPECB

AN INTERWOVEN TAPESTRY
The Journey of the PPECB

YEAR IN REVIEW

171.5 million
CARTONS OF CITRUS INSPECTED

90%
CUSTOMER SATISFACTION RATING ACHIEVED

47%
OF STONE FRUIT EXPORTED TO THE EU

6 154 tonnes
OF GROUNDNUTS INSPECTED

PPECB Research, Development and Innovation Journal
FIRST EDITION PUBLISHED

61.9 million
CARTONS OF POME FRUIT INSPECTED

44 415 tonnes
OF MACADAMIA NUTS INSPECTED

110 961
EXPORT CERTIFICATES ISSUED VIA TITAN 2.0®

79%
OF AVOCADOS EXPORTED TO THE EU

SANAS ISO 17025
THE PPECB LABORATORY CONTINUES TO UPHOLD ITS ACCREDITATION STATUS

100%
OF SOUTH AFRICAN CONTAINER DEPOTS ARE NOW UTILISING TITAN 2.0®

1209
FOOD SAFETY AUDITS CONDUCTED

839
SMALLHOLDER FARMERS TRAINED

99%
OF TABLE GRAPES INSPECTED ON TITAN 2.0®

134
SMALLHOLDER FARMERS CERTIFIED AS EXPORT-READY

PART 01 FOREWORDS

ANNUAL REPORT
2024/2025

MINISTER'S FOREWORD

The Perishable Products Export Control Board (PPECB) continues to support Government's objective to enhance the competitiveness of South African perishable exports by delivering independent quality, food safety and cold chain management services.

These services create international market confidence in South African produce, which in turn improves market access for South African Agriculture.

The 2024/2025 financial year was extremely challenging, as some of the major product volumes exported were below expectations, putting significant strain on the sector and the PPECB. While the logistical challenges slightly improved compared to the previous year, the situation remained far from ideal and continued to place further pressure on planning and shipping schedules.

Notwithstanding the above challenges, the PPECB managed to inspect and monitor the export of more than 4.1 million pallets of perishable produce to markets across the globe. Aligned with Government's goal to expand its digital infrastructure, the PPECB made further strides in its digitalisation strategy by successfully implementing its Enterprise Resource Planning (ERP) system and Human Capital Suite to enhance process efficiencies and improve service delivery.

I am pleased to note the PPECB's continued focus on people development, with 53 students graduating through the Agri Export Technologist Programme (AETP) and a further six women successfully participating in the Women in Leadership Programme. I am also delighted to announce the update of the Perishable Products Export Control (PPEC) regulations during the year under review. This is essential to align with best practice and to ensure that we deliver quality produce to international markets.

In closing, I wish to thank the PPECB Board members for their support. I wish the Board, the Executive team and employees well for the year ahead.

VIEW ONLINE

MINISTER J. H. STEENHUISEN
Minister of Agriculture

CHAIRPERSON'S FOREWORD

VIEW ONLINE

I am pleased to present the Annual Report of the Perishable Products Export Control Board (PPECB) for the 2024/2025 financial year.

As a National Public Entity tasked to oversee the orderly export of perishable produce, the PPECB plays a crucial role in creating confidence in South African perishable produce and has been doing so for nearly 100 years.

During the year under review, the organisation continued to drive its digital transformation strategy and delivered on two of its biggest projects in recent years. The recently introduced Enterprise Resource Planning System (ERP) and Human Capital Suite replaced legacy systems that will see the creation of further process efficiencies to ultimately deliver a better service to customers. The migration did, however, not come without any challenges and would not have been possible without the dedication and commitment of the PPECB employees.

534
PEOPLE ATTENDED SKILLS DEVELOPMENT COURSES

BONGIWE NJOBE
Chairperson of the Board
PPECB

OUR STAKEHOLDERS

Customer centricity remains one of the major PPECB business objectives. This financial year was no different, with employees going beyond the call of duty to assist and provide support to clients to navigate challenges. While logistical challenges were less than in the previous year, they are certainly not behind us. The ageing port equipment and infrastructure remain a concern, though this was largely mitigated by close collaboration between port terminal operators and stakeholders.

The sector has also experienced mid-summer droughts, which negatively impacted product volumes available for exports.

The PPECB's mobile application, TITAN 2.0® continues to expand. During this financial year, container inspections and the issuance of electronic consignment reports were added as new modules to the platform. TITAN 2.0® also fully integrates with eCert's Tracking Unit Manager (TUM) version 3.

I am pleased to report that the PPECB achieved a 90% customer satisfaction rating during its annual Customer Satisfaction Survey. This underlines the PPECB's ongoing commitment to enhancing customer satisfaction.

OUR COMMUNITY

The PPECB remains steadfast in its commitment to contribute to sectoral transformation. Guided by one of its strategic focus areas, the organisation trained 839 smallholder farmers and certified 134 as export-ready. The Women in Leadership Programme also saw six women graduate, now equipped with skills to further excel in their careers.

External community development initiatives have supported over 8000 beneficiaries nationwide through various programmes.

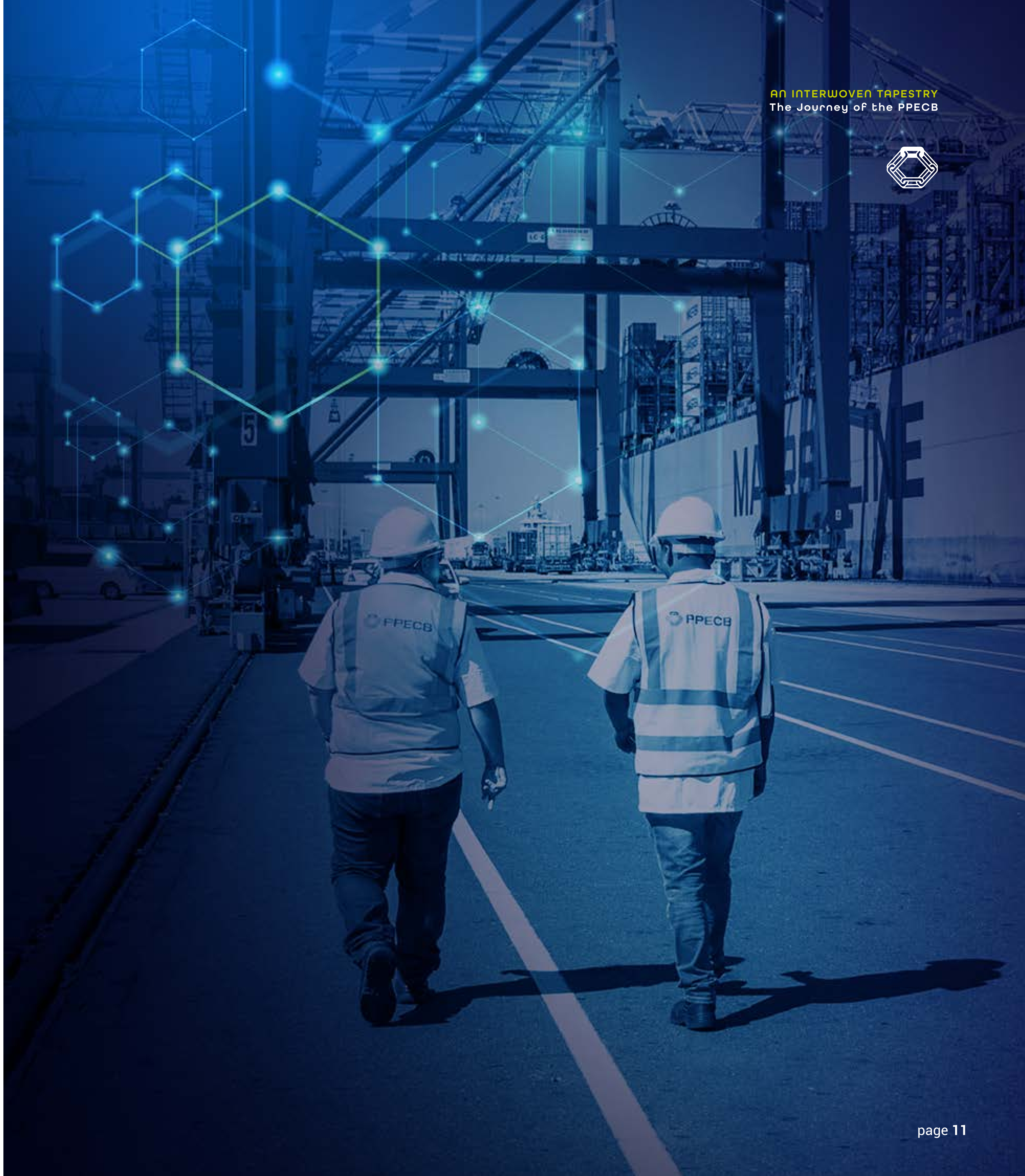
During the year under review, the PPECB reaffirmed its commitment to raising awareness and reporting on Environmental, Social and Governance (ESG) matters. Targeted workshops were held in this regard, culminating in the delivery of a clear ESG strategy expected in the latter part of 2025.

OUR PEOPLE

People development remains a priority for the PPECB. The organisation has, therefore, invested in various courses, mainly aligned with its digital transformation and leadership development strategies. During the year under review, 534 people attended skills development courses to strengthen their abilities.

THANKS

In closing, I wish to thank our clients for their continued support and understanding throughout the year. We also extend our appreciation to the Honourable Minister John Steenhuisen, the Portfolio Committee on Agriculture and the team at the Department of Agriculture (DoA) for their continued support. Lastly, I would like to thank my fellow Board members for their support, guidance and commitment to the betterment of the PPECB and industry.



CHIEF EXECUTIVE OFFICER'S FOREWORD

I am pleased to present the Perishable Products Export Control Board's (PPECB's) annual report for 2024/2025.

The report highlights the progress we have made against our medium-term strategy to create further efficiencies and effectively respond to challenges faced by the sector. It also highlights the operational achievements for the period under review.

While the logistical challenges in major South African ports remain a concern, there was certainly a marked improvement compared to the previous year's performance. Ageing infrastructure continues to be a significant stumbling block, though it has been somewhat mitigated through close collaboration between major stakeholders to ensure the flow of cargo. The mid-summer drought in some areas also impacted the sector, which ultimately led to reduced production of major crops. Notwithstanding these challenges, the agricultural sector remained resilient and managed to export 4.1 million pallets of perishable produce, representing an overall growth of 7.5% against the previous reporting period.

4.1 million
PALLETS OF PERISHABLE PRODUCE EXPORTED

LUCIEN JANSEN
Chief Executive Officer
PPECB

PROGRESS AGAINST STRATEGY

During the period under review, the PPECB continued to invest in its digitalisation strategy. To this end, the PPECB completed all major modules of its Enterprise Resource Planning (ERP) system and managed to resolve issues encountered during the migration. The organisation also introduced Oracle as its Human Capital Suite as part of the journey to replace legacy systems, create process efficiencies and improve service delivery.

Improved customer experience remains one of the PPECB's major focus areas. During the period under review, we continued to measure customer satisfaction as a key performance indicator and addressed the areas where we can improve. I am delighted to report that we received a customer satisfaction rating of 90% during 2024/2025, which is in line with the satisfaction rating of the previous year.

The timeous and correct provision of data has always been a critical aspect for the industry. With its wealth of data, the PPECB is determined to play a more significant role in providing relevant export information. It is, however, essential that the organisation first successfully migrate from legacy financial and information systems before such data can be provided with confidence. With the ERP in place, the next critical step in this journey is to fast-track the container loading module on the PPECB's mobile application, TITAN 2.0®, which will be prioritised during 2025. TITAN 2.0® made further major strides during 2024/2025. With 94% of all major products inspected using the application, 110 961 export certificates were issued via TITAN 2.0®. The container inspection module went live in July 2024 and, as of year-end, 99% of the South African container depots are utilising this module, which is the first totally paperless system within the PPECB.

In addition, Electronic Consignment Reports were introduced in 2024, where the PPECB now provides clients with electronically signed and stamped consignment reports. TITAN 2.0® also fully integrates with eCert's Tracking Unit Manager (TUM) version 3, deployed in November 2024. These additions and improvements are targeted to significantly increase efficiencies and ultimately reduce costs for the sector.

OPERATIONS MANAGEMENT

Overall, export volumes of perishable produce remained steady at 4.1 million pallets. Europe remains the biggest export market for South African fresh produce, with 36% of produce exported to this region. Asia took 15%, the Middle East 15%, Russia 7% and America 7%. Exports to Europe remained stable, with a steady increase to the Middle East when compared to the previous year.

The year under review also saw the publication of the revised Perishable Products Export Control (PPEC) regulations. The regulations were published in January 2025 and will come into effect on 18 July 2025. The revised regulations are intended to streamline processes and further promote the orderly export of perishable produce.

The PPECB research and development (R&D) unit was very busy during 2024/2025. The R&D model is based on collaboration with industry stakeholders to ensure that critical issues are addressed. To this end, initiatives for the year under review included, but are not limited to, studies with regards to temperature control during rail transport and temperature management during the handling of citrus, plums and blueberries. The PPECB also finalised and printed its first Research and Innovation Journal, which documents trials and research activities conducted between 2022 and 2023. This comprehensive publication resulted from a long-term, collaborative effort and now serves as a strategic platform for industry stakeholders to access and engage with the PPECB's research outputs. Distribution of printed copies to industry bodies has commenced and has been met with positive feedback.

CORPORATE SOCIAL INVESTMENT

The PPECB continues to play a role in upskilling smallholder farmers, with 839 trained on aspects of food security, Good Agricultural Practices (GAP), and the responsible use of pesticides. Of the smallholder farmers trained, 134 farmers have been certified as export-ready. To build on this initiative, the PPECB is finalising a Memorandum of Understanding with the National Agricultural Marketing Council (NAMC) to link these farmers with markets for the delivery of their produce. Internally, the PPECB is proud to announce the graduation of six women who participated in the Women in Leadership Programme and 53 students who were trained by the Agri Export Technologist Programme (AETP).

We also held our annual charity golf day, which was once again well supported, with 200 players taking the field. The proceeds of the day amounted to R75 000, which was donated to the nominated charity.

Environmental, Social and Governance (ESG) has been a topical issue globally. During the year under review, the PPECB continued its ESG journey, completing assessments and workshops that will inform the organisation's ESG strategy set to be completed in the latter part of 2025.

IN CLOSING

The PPECB remains committed to forging even stronger relationships with stakeholders and adding greater value to clients and their businesses. We wish to thank stakeholders for their support and understanding during the past year. I also extend my gratitude to the Board, the Department of Agriculture (DoA) and colleagues for their guidance, support and commitment. All the best for the year ahead!

CUSTOMER SATISFACTION RATING ACHIEVED **90%**

VIEW ONLINE

GOVERNANCE AND ADMINISTRATIVE INFORMATION

PART 02

ANNUAL REPORT 2024/2025

2024/2025 BOARD MEMBERS

The PPECB Board members represent the industries in which the PPECB operates. Their knowledge and expertise are greatly valued.

LEADERSHIP

Bongiwe Njobe (62)
Chairperson of the Board

Michael Brinkhuis (54)
Vice-Chairperson of the Board

COMMITTEE CHAIRPERSONS

Mariette Kotze (44)
Board Member
Chairperson of the Audit Committee

Jill Atwood-Palm (56)
Board Member
Chairperson of the Human Resources and Ethics Committee

BOARD MEMBERS

Warren Bam (55)
Board Member
Human Resources and Ethics Committee Member

Derek Donkin (55)
Board Member
Human Resources and Ethics Committee Member

Pheladi Tlomatsane (42)
Board Member
Human Resources and Ethics Committee Member

Dr Charlotte Nkuna (50)
Board Member
Audit Committee Member

Ian Beukes (44)
Board Member
Audit Committee Member

Bonga Mavume (50)
Board Member
Audit Committee Member

Nkhangweni Rambau (49)
Board Member
Audit Committee Member

THE BOARD AND SUBCOMMITTEES

	Board	Audit Committee	Human Resources and Ethics Committee
Who appoints members?	Minister of Agriculture	The PPECB Board	The PPECB Board
Term and date appointed	2023-2026 New Board appointed 01/02/2023 for a period of three years	2023-2026 New Committee appointed 27/03/2023 for a period of three years	2023-2026 New Committee appointed 27/03/2023 for a period of three years
Composition	All non-executives and one ministerial representative	All non-executives	All non-executives
Charter approved by the Board	Yes	Yes	Yes
Do members have to declare interests?	Yes (There is a policy approved by the Board)	Yes (There is a policy approved by the Board)	Yes (There is a policy approved by the Board)
Key roles as detailed in charters	• Define and ensure compliance with the Perishable Products Export Control Act 9 of 1983 (PPEC Act), the Public Finance Management Act 1 of 1999 (PFMA) and Treasury regulations • Determine strategic direction • Approve policies to achieve the objectives of the PPEC Act • Annually approve the business plan, strategic plan and budget and monitor the organisation's performance against these plans • Establish and oversee the framework of risk management and systems of internal control • Determine the appropriate delegation of authority • Ensure that management integrates strategy, sustainability and control	• Evaluate the independence, objectivity and effectiveness of the external auditor • Review any accounting and auditing concerns identified as a result of external and/or internal audit • Obtain assurance from the external auditors that adequate accounting records are being maintained • Examine and review the financial statements and interim management reports • Monitor the ethical conduct of the company, its executives and its senior officials • Oversee the risk management plan of the PPECB • Review the independence of the external auditor • Make recommendations on the reappointment of the external auditor • Monitor and supervise the performance of the internal auditors • Act in accordance with the requirements set out in the PFMA and Treasury regulations	• Review defined human resource indicators and make proposals to the Board on policy amendments, if necessary • Make recommendations to the Board on human resource management policies • Report to the Board on employee development, capacity and organisational structure requirements • Monitor the implementation of employment equity targets and management's action plans to achieve these goals • Make recommendations to the Board on remuneration incentives and the annual salary increases for employees • Monitor compliance with relevant employment and labour legislation. • Advise the Board on Environmental, Social and Governance (ESG) matters, which includes but is not limited to reviewing a sustainability assessment, and focus on an ESG plan which includes actions highlighted in respect of the carbon footprint assessment with measurable actions
Key focus areas	Leadership Development Culture Transformation Talent Management Key strategic projects: TITAN 2.0® and Enterprise Resource Planning (ERP) Regulatory Affairs	Quarterly and Annual Results Business Management Accounting and Auditing Functions Financial Reporting Corporate Governance Compliance Matters Approval of Tenders	Employee Wellness Leadership Development Culture Transformation Talent Management
No of meetings required to be held as per charter	4	4	4
No of meetings held	6	5	4
Did all members attend all meetings? *(Refer to table on page 21 for attendance)*	No	No	No
Other permanent invitees	Executive Management Committee (EXCO) Legal and Corporate Governance Manager	EXCO Legal and Corporate Governance Manager External Auditors and Internal Auditors (with unrestricted access to Chairperson of the Committee) Financial Accountant (by invitation as required by the CFO)	EXCO Legal and Corporate Governance Manager

BOARD MEMBERS' QUALIFICATIONS

Board Member	Age	Qualifications	Start of Service	Other Directorships/Professional Positions
Warren Bam	55	Diploma in Marketing and Sales Management	2023	Director: SATI Director: Eben-Hazer Boerdery (Pty) Ltd Director: WCB Boerdery (Pty) Ltd Director: Wesvanni (Pty) Ltd Director: WJ van Niekerk (Pty) Ltd Partner: Rehoboth Boerdery Director: Events Cooling (Pty) Ltd Trustee: W Bam Family Trust Board Member: 24 Rivers Irrigation Board
Mariette Kotzé	44	Master's in Sustainable Agriculture BTech (Agricultural Management) National Diploma in Agricultural Management	2023	Chairperson: Commodity Project Allocation Committee Member: South African Plant Improvement (SAPO) Audit Committee Director: Thembelitsha Farming (Pty) Ltd
Dr Charlotte Nkuna	50	MBA BVMCh (Bachelor of Veterinary Medicine and Surgery) Certificate in Principles and Practice of Brand Communications	2023	Marketing Director: Kemin Industries Director: Companion Healthcare (Pty) Ltd Director: INAND Director: CH Practitioners Director: FromAfrica Wildlife Institution Director: Herd Holding (Pty) Ltd Director: EPF Services Board Member: South African Veterinary Association (SAVETCON) Board Member: Daybreak Foods
Jill Atwood-Palm	56	National Higher Diploma in Business Management	2023	Member: Agricultural Trade Forum (ATF) - DoA Member: Team Export South Africa (TESA) - DTIC Member: Advisory Council on Curriculum for Food Science Qualifications General Manager: SAFVCA and SAFVCEC
Bonga Mavume	50	BSc Agric (Hons) Management Development Programme MBA	2023	Managing Director: Nalitha Fishing Group (Pty) Ltd EXCO Member: South African Deep Sea Trawling Industry Association Director: Tecmed (Pty) Ltd Director: Black Pride Director: Nkani Investments Director: Nalitha Foods Director: Marigold Fishing Corporation Director: K2020063086 Director: K2020066923 Director: Sentinel Seafoods Director: Quayside Fish Supplies Director: Sibanye Fishing Company Director: Benguela Tuna Fishing Co Director: Stillwaters Investments Director: Khumom Estates
Derek Donkin	55	MSc (Agriculture) MBA	2023	CEO: SA Subtropical Growers Association Chairman: Fruit Industry Value Chain Round Table - Trade Working Group
Ian Beukes	44	BEng (Industrial Engineering) (Hons) MBA	2023	COO and Executive Director: Sundays River Citrus Company Director: SRCC Cold Storage (Pty) Ltd, SRCC Marketing (Pty) Ltd Alternate Director: Venco Fruit Processors (Pty) Ltd
Michael Brinkhuis	54	MPhil in Agricultural Systems Management (Economics) BTech Horticulture National Diploma in Horticulture	2023	CEO: Hortfin (Pty) Ltd Director: Vinolog (Pty) Ltd Director: Hort Logistix (Pty) Ltd Assessor (AgriSETA) - Reg. No.: AGRI/ASS/0845/09
Pheladi Tlomatsane	42	National Diploma in Human Resource Management Certificate in Business Management BCom (Marketing)	2023	Managing Director: BZME Marketing Director: Madiphetana (Pty) Ltd Director: Zebediela Sitrus (Pty) Ltd

Bongiwe Njobe (Chairperson)	62	MSc in Agricultural Engineering Diploma in Strategic Project Management	2023	Independent Non-Executive Director: Rhodes Food Group (RFG) Independent Non-Executive Trustee: Old Mutual Foundation Independent Chairperson: Forum for Agricultural Research in Africa (FARA), Ghana Member: Supervisory Board - IDH (Netherlands) Non-Executive Director: Scamont Investment Holdings (Pty) Ltd (South Africa) Non-Executive Director: Mediscor PBM Board South Africa Non-Executive Director: ANB Investment Holdings Director (Shareholder): Pan African Capital Holdings South Africa Director: Four Filters Advisory South Africa Director: Kitsong Schools of Royal Bafokeng NPC Director: Scamont Engineering (Pty) Ltd
Nkhangweni Rambau	49	Executive Development Programme (WBS) Master's in Information Technology (UP) Master's in Business Leadership (UNISA SBL) Bachelor of Arts & University Education Diploma (UNIVEN) Diploma in IT (UJ) The Expert Negotiator (GIBS) Microsoft Certified Systems Engineer	2024	Director: Big Idea Projects and Advisory (Pty) Ltd Director: Alugumi Investment Holdings (Pty) Ltd Director: Masakona Wildlife Eco-Tourism Director: Tenacity STEM Foundation (NPO) Director: Mukhuthu Arts and Cultural Foundation (NPO) Director: Limbro Medical & Surgical Supply (Pty) Ltd Director: Renergy Investment Holdings (Pty) Ltd Director: Nyadenga Redeem (Pty) Ltd Board Member: South African National Space Agency (SANSA) Board Member: Legal Aid South Africa Board Member: Limpopo-Olifants Catchment Management Agency

MANAGEMENT COMMITTEES

	Executive Management Committee (EXCO)	Risk Management Committee (RISCO)
Who appoints members?	Chief Executive Officer (CEO)	CEO
Term and date appointed	No term	Members are appointed for a minimum of two years
Composition	CEO, Chief Financial Officer (CFO) and other Executive Managers. Refer to page 22 for details	Senior managers from respective divisions, nominated by EXCO members
Charter approved by the Board	Yes	Yes
Do members have to declare interests?	Yes (There is a policy approved by the Board)	Yes (There is a policy approved by the Board)
Key roles as detailed in charters	• Support the CEO in providing a corporate governance framework within which to deliver on its duties as set out in the EXCO charter and in accordance with the PPECB policies and delegation of authority • Protect the interests of the PPECB • Promote good governance practices • Commit to the values of the PPECB and enhance ethical behaviour within the PPECB • Support the CEO to make recommendations to the Board relating to the overall strategic direction of the PPECB • Support the CEO in the implementation of the PPECB strategy and monitoring performance against approved strategic plans • Act as a medium of communication between business areas within the PPECB	• Support the CEO and the executives in reviewing the effectiveness of the PPECB's risk management systems, practices and procedures in accordance with policies approved by the Board • Ensure that risks are identified, evaluated, effectively managed and, where practical, quantified • Fulfil the risk management and control responsibilities • Prepare reports for EXCO for consideration by the Audit Committee and the Board • Advise the Board, through EXCO, on mitigating strategies for risks identified, and monitoring these strategies • Consider the effectiveness of the risk management system • As part of succession planning, the Chairperson delegates certain meeting agenda items to the Vice-Chairperson
No of meetings required to be held as per charter	Minimum of four meetings a year	Quarterly
No of meetings held	4	4
Did all members attend?	No	No
Other permanent invitees	Legal and Corporate Governance Manager	Legal and Corporate Governance Manager Business Audit Manager Occupational Health and Safety Co-ordinator ICT Cybersecurity Officer Assistant/Junior Legal Advisor

BOARD AND SUBCOMMITTEE MEETINGS

Member	Board	Audit Committee	Human Resources and Ethics Committee
Meetings held	6	5	4
	Number of meetings attended (including special meetings)/total number of meetings held whilst a member of the Board	Number of meetings attended (including special meetings)/total number of meetings held whilst a member of the Audit Committee	Number of meetings attended/total number of meetings held whilst a member of the HR Committee
Ms B Njobe[1]	4/6	N/A	3/4
Mr M Brinkhuis[2]	6/6	5/5	N/A
Ms M Kotze[3]	6/6	5/5	N/A
Ms J Atwood-Palm[4]	6/6	N/A	4/4
Ms P Tlomatsane	6/6	N/A	4/4
Mr I Beukes	5/6	4/5	N/A
Mr D Donkin	4/6	N/A	3/4
Mr B Mavume	6/6	5/5	N/A
Dr C Nkuna	5/6	4/5	N/A
Mr W Bam	4/6	N/A	3/4
Mr N Rambau	6/6	4/4	N/A

1 Chairperson of the Board
2 Vice-Chairperson of the Board
3 Chairperson of the Audit Committee
4 Chairperson of the Human Resources and Ethics Committee

EXECUTIVE COMMITTEE

LUCIEN JANSEN
Chief Executive Officer

JOHAN SCHWIEBUS
Chief Financial Officer

CYRIL JULIUS
Chief Operations Officer

BRIDGETTE DARIES
Chief Information Officer

PINKI LUWACA
Human Capital Executive

CORPORATE GOVERNANCE REPORT

The following report sets out the corporate governance framework adopted by the Perishable Products Export Control Board (PPECB) Board and highlights the key activities for the year under review.

The corporate governance framework enables the Board to:

- Fulfil its role and discharge its duties and responsibilities as required by legislation and the regulatory environment in which the PPECB operates;
- Contribute to servicing the PPECB's customers in a professional manner;
- Decide on the PPECB's policy and strategic direction;
- Set the parameters for delegating authority in the organisation; and
- Oversee risk management and internal controls at the PPECB.

An essential characteristic of the PPECB's culture is its compliance with applicable legislation, including the Constitution, relevant Acts, regulations, standards, protocols and codes. The PPECB's key enabling legislative Acts are the Perishable Products Export Control Act 9 of 1983 (PPEC Act), the Agricultural Product Standards Act 119 of 1990 (APS Act), and the Public Finance Management Act 1 of 1999 (PFMA). The PPEC Act is currently under review, particularly the sections relating to the appointment of the Board. Amendments are being considered to ensure the independence of the Board. During the period under review, an extensive update to the Regulations relating to the Export of Perishable Products ('the Regulation') was finalised, and the draft Regulation was advertised for public comment on 14 June 2024. Overall, the Regulation was well received by a broad cross-section of fresh perishable products stakeholders (including industry bodies, producers, packers, exporters and retailers). The comments received were considered, and subsequently, the PPECB responded in writing with respect to the comments received and the resolution of the matters raised. The final Regulation was published on 17 January 2025 and will come into effect on 18 July 2025. The purpose of the Regulation is to ensure that the regulatory environment supports the functioning of the PPECB in a deregulated environment and provides for technological developments at the PPECB. The key changes to the Regulation are as follows: the exchange of information and issuing of documents; export information and data processes; to make provision for online applications for registration of exporters and cold chain service providers, and online trade facility applications; furnishing of export information electronically and the collection and provision of information and statistics by the PPECB.

The PPECB Board considers and approves a legal compliance register annually, ensuring that the PPECB remains focused on complying with applicable legislation.

The legal compliance register:

a) Identifies relevant legislation, policies and best practice;
b) Indicates, where applicable, a management action plan, due date, and responsible party. The legal compliance register is a standing agenda item for the Risk Management Committee (RISCO) and is considered and discussed at each RISCO meeting; and
c) Provides an overview of the relevant sections of legislation the PPECB must comply with and the required actions that ensure compliance with key legislation.

The Protection of Personal Information Act (POPIA) remains a focus area for the PPECB. POPIA refresher training was provided to the information and deputy information officer, the legal department and key personnel in June 2024. Key action points arising from the training session were listed, which included approving a legal compliance framework and listing the data processing activities of each department. The legal compliance framework was approved by the Board in November 2024 and the purpose of this framework is to provide an overarching framework for the policies, procedures, and structures that are aimed at managing the PPECB's legal compliance obligations. The purpose of the legal compliance framework and register is to ensure that the PPECB meets its legal obligations as set out in POPIA and all key legislation.

As a public entity, the PPECB focuses on preventing irregular, fruitless and wasteful expenditure. The legal and procurement departments provide procurement and contract management training on an annual basis to mitigate any risk in this regard.

During 2022/2023, the PPECB's risk environment was impacted by a Presidential Proclamation transferring certain powers and functions under the APS Act and PPEC Act, in so far as those functions fall within the border law enforcement area, to the Minister of Home Affairs, who is the cabinet member responsible for the Border Management Authority Act 2 of 2020 (BMA). The PPECB engaged with the commissioners of the BMA, and a draft implementation protocol was provided to the BMA for review. A further meeting was held with the commissioners of the BMA in March 2025 to finalise the implementation protocol for signature.

The PPECB Board's third year of its term commenced on 1 February 2025. The Board's approach to corporate governance is based on sound governance being essential to creating a sustainable business. Board development training is thus critical in ensuring that the principles of good corporate governance are adhered to. Audit Committee training was provided to the Board during the period of review.

THE PPECB'S BOARD MEMBERS AND SUBCOMMITTEES

The PPECB is a statutory body constituted in accordance with Section 4 of the PPEC Act. The PPECB Board comprises eleven non-executive Board members representing the industries in which the PPECB operates. An independent non-executive member has not been appointed as a lead independent; as such, an appointment is not provided for in the PPEC Act.

The PPECB Board members are appointed by and are accountable to the Minister of Agriculture. They represent seven of the largest export groups as determined by export volume, as well as a member designated by the Minister. As such, the majority of the non-executive Board members and the Chairperson of the PPECB Board cannot be categorised as independent, as recommended by principle seven of the King IV Report on Corporate Governance for South Africa 2016. In terms of the PPEC Act, Board members serve for a period of three years.

In terms of S4 (3) of the PPEC Act, the Minister may, on recommendation by the Board, appoint, on such conditions and for such period as she may determine, a person as an additional member of the Board for a particular purpose. Following the Board's recognition of the need for ICT expertise at board level, the Minister appointed Mr Nkhwangeni Rambau as a Board member in May 2024. Mr Rambau has qualifications and experience in the field of Information Technology. Mr Rambau attended his first Board meeting in June 2024, whereafter he was subsequently appointed as a member of the PPECB Audit Committee.

To discharge its duties more effectively, the Board has approved and delegated authority over specific matters to committees.

There are two Board Committees - an Audit Committee and a Human Resources and Ethics Committee where social and ethics matters are considered and discussed.

Following the identification of focus areas as a result of undertaking a sustainability assessment in the previous reporting period, the RISCO reviews progress with respect to the identified focus areas on a quarterly basis. The table below provides a high-level overview of the identified actions, progress and scoring as at the end of the financial year.

PPECB SUSTAINABILITY ASSESSMENT 2024 - PROGRESS

No.	Criteria	Completed Actions	Score	Focus Areas (Due Date: 31 March 2025)	Progress in respect of Focus Areas as at 31 March 2025
ENVIRONMENTAL					
1	Reduced business travel	1 Virtual pre-season/stand-up/TES (saving of 74 600 km) meetings are held unless physical meetings are required 2 Only essential travel is allowed 3 Reporting requirements were discussed with the travel management company to enable the PPECB to calculate emissions 4 Sixty return flights were saved due to virtual training by ERP champions and splitting of ASTI sessions into the North and South			
2	Reduced use of electricity		45%	1 Introduction of solar energy for Head Office and Durban 2 Obtaining energy performance certificate 3 Measuring the use of electricity at each office	1 In progress. Discussions with the procurement department will be held to determine the next steps 2 In progress. The certificate is required by 7 December 2025 3 Completed. The average use over 12 months was measured for the regions and Head Office. An initiative was launched to identify effective solutions to reduce electricity usage throughout the organisation. Identified measures will be implemented and awareness to reduce electricity will be raised at the People Connect sessions
3	Planting of trees project	1 The PPECB will donate 100 trees for the 2024/2025 financial year planting of trees project to reduce the impact of the amount of kilometres driven. The purpose of the donation was to compensate for the over 5 million kilometres driven to service clients	100%	1 Once the trees have been planted in June/July 2024 a certificate of recognition will be issued to the PPECB	Completed - one hundred trees were planted in the Uilenkraal Forest Restoration Project, Western Cape. A certificate was issued to the PPECB
4	Implementing recycling at Head Office and Durban	1 Gauteng has separate waste bins for plastic, glass and paper	44%	1 Implementation of a smart recycling solution that includes separate bins	In progress. Following market research the necessary procurement and contractual process will be followed to appoint a supplier to measure and quantify the PPECB's contribution in respect of green print
SOCIAL					
5	Prioritising Employee Wellness	1 Awareness articles circulated to remind employees of the Employee Wellness Programme's availability 2 People Connect sessions were used to share wellness offering and session held on resilience	84%	1 Monthly updates on intranet which will be placed onto PPECB Connect and HCMS	
6	PPECB's impact on the communities in which it operates	1 Food Security Gardens (Call 2 Care/ iGardi, Soil for Life, Art Farm) 2 Chip in for Charity Golf Day 3 World Food Day sponsorship 4 Food packages over festive season for the DoA 5 Farmworker of the Year sponsorship	76%		
GOVERNANCE					
7	Current measures in place and their effectiveness in respect of reducing fraud and corruption	1 Fraud prevention policy and plan 2 Ethics hotline policy and contract with independent service provider 3 Annual fraud awareness sessions at the People Connect sessions	88%		

The Chief Information Officer's (CIO) Information and Communications Technology (ICT) report is a standing agenda item for the Board. This report includes strategic digital priorities, the business value of ICT and key projects, and compliance. The CIO reports directly to the Board regarding all matters relating to ICT.

The subcommittees serve underwritten and approved charters, which are reviewed and updated annually. The Chairpersons of the Board, Audit Committee and Human Resources and Ethics Committee are satisfied that the Board and Committees have fulfilled their responsibilities in accordance with the relevant charters for the reporting period. The Chairpersons of these subcommittees are responsible for relaying all proposals agreed upon by the subcommittees to the Board for approval or otherwise.

During the period of review, the Board members participated in a self-appraisal process to determine the extent to which the Committees and Board comply with their charters and to review and improve upon their performance. The outcomes of the process were presented at the Board strategy session in August 2024. Overall, the Board scored over 70% with respect to the majority of the questions posed, which indicates that the Committee and Board are effective with respect to compliance with its charters. The Likert scale of scoring was used, and where responses indicated strong disagreement, disagreement or no opinion, further information was provided to the Board. Action points were identified, some of which are still in progress, which will improve the Committee and Board's overall compliance with its charters.

Remedial actions included fraud risk and combined assurance awareness, audit committee training, the inclusion of conflict resolution provisions in the EXCO charter, a review of the Communication policy and an agreed approach to engage with the Chairperson of the Board should Board members require mentoring and professional development. Some of these actions are still in progress, which will improve the Committee and Board's overall compliance with its charters.

The PPECB continues to use a digital board portal, which allows for efficient preparation and provision of meeting packs, provides a central, secure platform to access meeting documents, and provides for electronic approval and signature of documents and meeting minutes.

CHAIRPERSON

The Board appoints the Chairperson, who is responsible for the effective functioning of the Board. The Chairperson's primary duties include:

- Providing overall leadership to the Board;
- Presiding over Board meetings, ensuring they function smoothly and managing conflicts of interest;
- Ensuring that Board members receive professional advice when needed;
- Serving as an informal link between Board members and the EXCO team, as well as providing support and advice while respecting executive responsibility;
- Serving as the link between the PPECB Board and the Minister of Agriculture; and
- Ensuring regular and objective appraisals are administered to assess the Board's effectiveness.

CHIEF EXECUTIVE OFFICER (CEO)

The CEO was appointed by the Board in terms of Section 13 of the PPEC Act and is entrusted with the power to manage and control the work authorised by the Board and to exercise supervision over the other officers and employees of the Board.

The Chairperson of the Board evaluated the performance of the CEO by analysing the agreed key performance areas and subsequently reported on it prior to the Board meeting in May 2025, following the previous reporting period. Should either party wish to terminate the employment agreement before the termination date, a three-month written notice period is applicable.

The CEO's five-year contract of employment terminates at the end of June 2025. The PPECB Board elected to enter into a new employment agreement with the CEO for a proposed term of five years. Succession planning for the CEO remains a focus area and is managed in terms of the PPECB Talent Management Framework. Succession planning has been implemented by ensuring that the COO can take over the role at short notice. When the CEO is required to travel abroad for an extended period, the COO or other delegated EXCO member is appointed to act in the position of CEO and fulfil all CEO duties accordingly.

The CEO is a member of the Institute of Directors Southern Africa (IoDSA) and a country council member of the International Fresh Produce Association (IFPA).

The Board is satisfied that it has determined the appropriate delegation of authority to ensure that management and the CEO are empowered to manage the day-to-day activities of the PPECB. The PPECB acts in accordance with a Board-approved delegation of authority framework, which stipulates the levels of authority for the CEO, EXCO and senior managers. The delegation of authority framework was reviewed during the review period.

BUSINESS CONDUCT

The PPECB Board endeavours to lead ethically, effectively and with integrity. During the period of review, the PPECB legal department reviewed and re-drafted the Code of Conduct in an effort to simplify the content and ensure that employees can easily apply it in their daily activities. The revised Code of Conduct was drafted from the employees' perspective and utilises wording such as 'our' and 'we', for example, 'We foster a culture of respect'. The updated Code of Conduct was approved by the Board in March 2025.

The PPECB has an independently managed fraud and ethics hotline to monitor and promote awareness of potentially unethical employee behaviour. Ethics Hotline calls and the investigation of such calls are reported to the Audit Committee. During the reporting period, the PPECB legal department created awareness in the People Connect sessions. The PPECB's independent service provider, Whistle Blowers Pty Ltd, also provided online training sessions in November last year. The purpose of the awareness and training sessions was to ensure that employees use the appropriate platforms to report illegal or unethical business practices. An infographic was also circulated to raise further awareness.

The PPECB has a Board member and employee declaration of interest and gift policy to ensure that Board members and employees act in good faith when discharging their duties. Employees and Board members are required to disclose any interests on an annual basis and as these arise. Board members are also required to disclose any interests relating to agenda items of a particular meeting. Such disclosures must be made before discussing the agenda item and via an electronic attendance/declaration register, which is circulated at every committee and Board meeting. An annual audit of employee declarations of interest is conducted. Where required, employees are requested to submit updated declarations of interest.

The PPECB's EXCO accepts its responsibility to address matters of significant concern for all stakeholders, taking into account the need for accountability.

AGRICULTURAL PORTFOLIO COMMITTEE

The Portfolio Committee on Agriculture meets with the PPECB in Parliament twice a year. The Chairperson, and/or Vice-Chairperson and members of the Executive Management team, if requested, represent the PPECB at these meetings.

The PPECB's strategic plan and budget for the following year are tabled at the April meeting, while its financial results and annual report for the preceding year are tabled at the September meeting. The oversight role that the Portfolio Committee plays forms part of the PPECB's overall governance.

OPERATIONAL MANAGEMENT COMMITTEE (MANCO)

The Operational MANCO is made up of EXCO, general managers, regional operations managers and other senior managers.
Operational MANCO meetings provide a platform to communicate and share information on day-to-day operational and ICT matters at a senior management level. During the period of review, it was agreed that meetings would be held on a quarterly basis.

While the Operational MANCO does not have any specific authority delegated to it, it remains an important middle-management forum that contributes to decision-making in the organisation.

Any organisational ethics outcomes may be addressed by the RISCO or at the Operational MANCO meetings and, where appropriate, directly with employees.

All legal, company secretarial and corporate governance matters are managed by the in-house Legal and Corporate Governance Manager, with the assistance of an Assistant Legal Advisor and Junior Legal Advisor, all of whom are suitably qualified employees. The Legal and Corporate Governance Manager ensures that the Board and Board members have access to professional guidance on corporate governance and legal matters. The Legal and Corporate Governance Manager also coordinates the functioning of the Board and its subcommittees and contracts with external specialist service providers on legal or corporate governance matters, if required.

The Legal and Corporate Governance Manager fulfils the role of a company secretary for the EXCO and the Board and its committees.

The PPECB has various written policies and procedures supporting management and employees for the day-to-day functioning of the business. The PPECB Board approves organisational policies, and the relevant departmental general managers approve operational policies. The Board approves organisational policies and operational procedures are approved by the appropriate departmental EXCO member.

EXECUTIVE COMMITTEE (EXCO)

The Executive Committee comprises of:
CEO Lucien Jansen
CFO Johan Schwiebus (Retired on 16 April 2025)
COO Cyril Julius
CIO Bridgette Daries
Human Capital Executive Pinki Luwaca

FOCUS AREAS GOING FORWARD INCLUDE:

1. Independent Committee and Board formal evaluation process;
2. Approval of an Environmental, Social and Governance (ESG) strategy;
3. Progress in respect of identified actions for ESG;
4. POPIA compliance refresh;
5. Finalisation and signature of an implementation protocol with the BMA; and
6. Appointment of the new Board.

MATERIALITY FRAMEWORK

For the purpose of interpreting and complying with the Public Finance Management Act 1 of 1999 (PFMA), the following framework of acceptable levels of materiality and significance was applied during the 2024/2025 financial year:

	PFMA section	Quantitative (Amount)	Qualitative (Nature)
	Section 50 **Fiduciary duties of accounting authorities**		
(1) (c)	The accounting authority for a public entity must, on request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable all material facts, including those reasonably discoverable, which in any way may influence the decisions or actions of the executive authority or that legislature	Any fact discovered whose amount exceeds the materiality figure of 0.5% of the annual gross operational expenditure of the previous year's audited financial results must be disclosed	• Any item or event for which specific disclosure is required by legislation, the King IV Report or Generally Recognised Accounting Practices (GRAP) • Any fact discovered whose omission or misstatement, in the Board's opinion, could influence the decisions or actions of the executive authority or legislature
	Section 54 **Information to be submitted by accounting authorities**		
(2)	Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly, in writing, inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:	• Acquisition or disposal of a significant asset • Acquisition where market value is greater than the materiality figure • Disposal where market value is greater than the materiality figure	• Any participation outside of the approved strategic plan and budget • Any acquisition or disposal of any asset that would increase or decrease the overall operational functions of the Board outside of the approved strategic plan and budget • Disposal of the major part of the assets of the Board • Any business activity that would increase or decrease the overall operational functions of the Board outside of the approved strategic plan and budget
(b)	• Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement		
(c)	• Acquisition or disposal of a significant shareholding in a company		
(d)	• Acquisition or disposal of a significant asset		
(e)	• Commencement or cessation of a significant business activity		

	PFMA Section	Quantitative (Amount)	Qualitative (Nature)
	Section 55 **Annual report and financial statements**		
(2)	The annual report and financial statements referred to in subsection (1)(d) must:	• Any losses identified through criminal conduct • Losses incurred through any expenditure where the combined total exceeds the planning materiality figure after consultation with the Audit Committee for the year under review • Any irregular, fruitless and wasteful expenditure as defined by the PFMA will be reported	Any identified loss through criminal, reckless or negligent conduct
(a)	• Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned		
(b)	• Include particulars of:		
(i)	- Any material losses through criminal conduct, irregular expenditure or fruitless and wasteful expenditure that occurred during the financial year		
(ii)	- Any criminal or disciplinary steps taken as a consequence of such losses, irregular expenditure or fruitless and wasteful expenditure		
(iii)	- Any losses recovered or written off		
(iv)	- Any financial assistance received from the state and commitments made by the state on its behalf		
(v)	- Any other matters that may be prescribed		
	Section 66 (1) **Restrictions on borrowing, guarantees and other commitments**	R0	This public entity may not borrow money, nor issue a guarantee, indemnity or security, nor enter into any other transaction that binds or may bind the institution to any future financial commitment unless acting through the relevant executive authority (PFMA section 66(3)(c))

KING IV DISCLOSURES

VIEW ONLINE

The table below outlines the reports in the 2024/2025 Annual Report, where disclosures relating to King IV are included.

PRINCIPLE	SUMMARY OF DISCLOSURES MADE	INTERNAL POLICY/DOCUMENT OR REPORT REFERENCED
Principle 1 **The governing body should lead ethically and effectively.**	The PPECB Board endeavours to lead ethically, effectively and with integrity. The role of the Audit Committee is to monitor the ethical conduct of the company, its executives and its senior officials. The PPECB has a Board member and employee declaration of interest and gift policy to ensure that Board members and employees act in good faith when discharging their duties. Employees and Board members are required to disclose any interests on an annual basis and as these arise. Board members are required to disclose any interests relating to agenda items of a particular meeting. Such disclosures must be made before discussing the agenda item and via an electronic attendance/declaration register, which is circulated at every committee and Board meeting. See Principle 2 in respect of performance evaluations.	• The Board and Subcommittees Summary • Corporate Governance Report • Audit Committee Report • Annual Financial Statements • Declaration of Interests and Gift Policy • Code of Conduct • Board and Committee Charters • Principles 2, 6 and 8
Principle 2 **The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.**	The arrangements for governing and managing ethics include compliance with the PPECB code of conduct and performance evaluations of the Board and Board committees. Measures taken to monitor organisational ethics are the ethics hotline, audits, grievances and disciplinary processes. Any organisational ethical outcomes may be addressed by the Risk Management Committee (RISCO) or Operational Management Committee (MANCO) meetings and, where appropriate, directly with employees. The PPECB has an independently managed fraud and ethics hotline to monitor and promote awareness of potentially unethical employee behaviour. Key focus areas during the period of review included: 1 The PPECB legal department created awareness on the ethics hotline in the People Connect sessions. The PPECB's independent service provider, Whistle Blowers (Pty) Ltd, also provided online training sessions in November; and 2 The PPECB legal department reviewed and re-drafted the Code of Conduct in an effort to simplify the content and ensure that employees can easily apply it in their daily activities. Planned areas of future focus are on page 27 of the report.	• Corporate Governance Report • Audit Committee Report • Annual Financial Statements • Ethics Hotline Policy • Code of Conduct • Principle 1
Principle 3 **The governing body should ensure that the organisation is, and is seen to be, a responsible corporate citizen.**	The Human Resources and Ethics Committee governs and manages responsible corporate citizenship. Key focus areas during the reporting period included: 1 Progressing in terms of the focus areas identified in the Sustainability Assessment; 2 Learning and Development; 3 Corporate Social Investment (CSI) initiatives are listed on page 66 of the report. The PPECB continues to invest in CSI that aims to uplift communities and support societal wellbeing. These initiatives extend beyond the organisation's core operations and are not profit-driven. They represent a commitment to contributing meaningfully, both financially and in kind, to initiatives that improve the lives of South Africans; and 4 The annual charity golf day. During the year under review, the PPECB reaffirmed its commitment to raising awareness and reporting on Environmental, Social and Governance (ESG) matters. Targeted workshops were held in this regard, culminating in the delivery of a clear ESG strategy expected in the latter part of 2025. Focus areas going forward: 1 Approval of an Environmental, Social and Governance (ESG) strategy; and 2 Further focus areas are listed on page 25 of the report.	• Chairperson's Foreword • CEO's Foreword • Corporate Governance Report • Human Capital Report • Human Resources and Ethics Committee Charter • ICT Report • Principles 5 and 16
Principle 4 **The governing body should appreciate that the organisation's core purpose, its risk and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.**	The year under review also saw the publication of the revised Perishable Products Export Control (PPEC) regulations. The regulations were published in January 2025 and will come into effect on 18 July 2025. The revised regulations are intended to streamline processes and further promote the orderly export of perishable produce. Consistent with the rollout of the Enterprise Resource Planning (ERP) system, the organisation planned the implementation of a new Human Capital Suite system in 2024. These systems will be at the core of the organisation's digitalisation strategy and seek to improve organisational efficiencies and stakeholder engagement. The PPECB is certainly not unique and has highlighted organisational culture as one of the major focus areas to ensure the successful delivery of the organisational strategy. Focus areas going forward: 1 Approval of an Environmental, Social and Governance (ESG) strategy; and 2 Expanding the Laboratory's analytical programmes to improve financial sustainability.	• CEO's Foreword • Strategic Plan • Operations Report • Organisational Performance Report • Corporate Governance Report • Audit Committee Report • King IV Disclosures Report • Annual Report 2024/2025
Principle 5 **The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short-, medium-, and long-term prospects.**	The PPECB's strategic plan and budget for the following year are tabled at the Agricultural Portfolio Committee April meeting, while its financial results and annual report for the preceding year are tabled at the September meeting. The PPECB has facilitated several engagement sessions through various channels with key industry players, including growers, packhouses, exporters, cold stores, container depots, port authorities and several software vendors. The PPECB's stakeholder universe has increased by 18% compared to the previous financial year. The organisation's key risks and mitigations have been set out as part of the strategic plan.	• Operations Report • Organisational Performance Report • Corporate Governance Report • Audit Committee Report • CFO Report • ICT Report • Audit Committee Report • Annual Financial Statements • Strategic Plan

PRINCIPLE	SUMMARY OF DISCLOSURES MADE	INTERNAL POLICY/DOCUMENT OR REPORT REFERENCED
Principle 6 **The governing body should serve as the focal point and custodian of corporate governance in the organisation.**	The Board's approach to corporate governance is based on sound governance being essential to creating a sustainable business. Board development training is thus critical in ensuring that the principles of good corporate governance are adhered to. The PPECB Board comprises eleven non-executive Board members representing the industries in which the PPECB operates. The PPECB Board members are appointed by and are accountable to the Minister of Agriculture. The PPECB Board endeavours to lead ethically, effectively and with integrity. Focus areas going forward: 1 Independent Committee and Board formal evaluation process. The number of meetings held and attendance thereof are on page 21. Committees and the Board are satisfied that they have fulfilled their responsibilities in accordance with their charters for the reporting period.	• Corporate Governance Report • Board and Committee Charters • Organisational Performance Report • Human Capital Report • Audit Committee Report • Principle 7
Principle 7 **The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively.**	The PPECB Board members are appointed by and are accountable to the Minister of Agriculture. They represent seven of the largest export groups as determined by export volume, as well as a member designated by the Minister. As such, the majority of the non-executive Board members and the Chairperson of the PPECB Board cannot be categorised as independent, as recommended by principle seven of the King IV Report on Corporate Governance for South Africa 2016. The PPEC Act does not make provision for the appointment of a lead independent board member. In terms of the Perishable Products Export Control Act 9 of 1983 (PPEC Act), Board members serve for a period of three years. The PPECB Board's third year of its term commenced on 1 February 2025. The composition of the Board can be found in the Board and subcommittees tables on page 18 of the Annual Report 2024/2025. It demonstrates a balanced mix of knowledge, skills, experience, and diversity, as indicated by the qualifications and interests of each Board member in the Board Qualifications table. Following the Board's recognition of the need for ICT expertise at board level, the Minister appointed Mr Nkhwangeni Rambau as a Board member in May 2024. Mr Rambau has qualifications and experience in the field of Information Technology. Audit Committee training was provided to the Board during the period of review. Focus areas going forward: 1 Appointment of the new Board.	• Corporate Governance Report • Audit Committee Report • Principle 6
Principle 8 **The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.**	To discharge its duties more effectively, the Board has approved and delegated authority over specific matters to committees. There are two Board committees - an Audit Committee and a Human Resources and Ethics Committee - where social and ethics matters are considered and discussed. The subcommittees serve underwritten and approved charters, which are reviewed and updated annually. The Board is satisfied that it has determined the appropriate delegation of authority to ensure that management and the CEO are empowered to manage the day-to-day activities of the PPECB. The PPECB acts in accordance with a Board-approved delegation of authority framework, which stipulates the levels of authority for the CEO, EXCO and senior managers.	• Audit Committee Report • Corporate Governance Report • Principles 1 and 6 • Audit Committee Report • Annual Financial Statements

PART 02 Governance

PRINCIPLE	SUMMARY OF DISCLOSURES MADE	INTERNAL POLICY/DOCUMENT OR REPORT REFERENCED
Principle 9 **The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members supports continued improvement in its performance effectiveness.**	During the period of review, the Board members participated in an internal self-appraisal process to determine the extent to which the committees and Board comply with their charters and to review and improve upon their performance. The outcomes of the process were presented at the Board strategy session in August 2024. Overall, the Board scored over 70% with respect to the majority of the questions posed, which indicates that the committees and Board are effective with respect to compliance with its charters. Remedial actions included fraud risk and combined assurance awareness, audit committee training, the inclusion of conflict resolution provisions in the Executive Management Committee (EXCO) charter, a review of the communication policy, and an agreed approach to engage with the Chairperson of the Board should Board members require mentoring and professional development. The Board was satisfied that the evaluation process is improving their performance and effectiveness.	• Corporate Governance Report
Principle 10 **The governing body should ensure that the appointment of and delegation to management contributes to role clarity and effective exercise of authority and responsibilities.**	The CEO's five-year contract of employment terminates at the end of June 2025. Should either party wish to terminate the employment agreement before the termination date, a three-month written notice period is applicable. Succession planning has been implemented by ensuring that the COO can take over the role at short notice, which will provide continuity of executive leadership, if necessary. The CEO is a member of the Institute of Directors Southern Africa (IoDSA) and a country council member of the International Fresh Produce Association (IFPA). The Board is satisfied that the PPECB is appropriately resourced and that its delegation to management contributes to an effective arrangement by which authority and responsibilities are exercised. The Legal and Corporate Governance Manager manages all legal, company secretarial, and corporate governance matters with the help of a suitably qualified team.	• Delegation of Authority Framework • Corporate Governance Report
Principle 11 **The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.**	The corporate governance and legal compliance framework sets the direction and for how the Board oversees risk management and internal controls at the PPECB. The Board exercises ongoing oversight by ensuring that risk management is a standing agenda item at each Audit Committee meeting, where the Audit Committee considers the effectiveness of the PPECB's risk management system and ensures that material risks, improvements and opportunities are identified and appropriate risk management processes are in place. The Board delegated the responsibility to implement and execute effective risk management to EXCO. The Risk Management Committee meets on a quarterly basis and provides recommendations to EXCO and the Board to improve the risk management system, mitigate the key risks facing the PPECB and considers opportunities, The Risk Management Committee (RISCO) supports the CEO and the EXCO in managing risk by ensuring that risks are identified, evaluated, effectively managed and, where practical, quantified. The EXCO has approved the development of a risk management tool to ensure the effectiveness of the risk management system. A detailed list of the PPECB's key risks and mitigations is contained in the strategic plan. However, the PPECB risk environment is ever-changing, and risks are reviewed and updated on a quarterly basis.	• Corporate Governance Report • Audit Committee Report • PPECB Strategic Plan

PRINCIPLE	SUMMARY OF DISCLOSURES MADE	INTERNAL POLICY/DOCUMENT OR REPORT REFERENCED
Principle 12 **The governing body should govern technology and information in a way that supports the organisation in setting and achieving its strategic objectives.**	In the PPECB, the arrangements for governing and managing technology and information assets are governed by the ICT Governance Framework, which is facilitated by the CIO and supported by the EXCO and the Board, who ensure that the ICT strategy supports and enables the organisation to achieve its strategic objectives while minimising risk and exposure to threats such as cyber threats. Further governance and management is provided via various committees, including the Audit Committee, Strategic Projects Committee, and the Risk Management Committee. The ICT department applies and monitors several key performance indicators and controls based on industry best practice policies, procedures, and frameworks. During the period under review, the ICT strategy was refreshed, including the digital transformation journey that has been in execution for the last five years. Focus areas include the transitioning of the ERP system from project to operations, expansion of the core Product Inspection and Cold Chain Management application called TITAN 2.0®, the introduction of a Human Capital Management Suite and a heightened focus on service delivery and accelerated delivery of solutions to the PPECB and the industry. Areas of focus include building a new customer portal, continued expansion of the TITAN 2.0® application especially to digitise the cold chain, supporting the expansion and modernisation of the Laboratory, optimising business processes, cost reduction, continuous risk reduction and compliance of the technology and information assets.	• ICT Governance Framework • CEO's Foreword • ICT Report • Chairperson's Foreword
Principle 13 **The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen**	During the period of review, a legal compliance framework was approved. The purpose thereof is to provide an overarching framework for the policies, procedures and structures for managing the PPECB's legal compliance obligations. The legal compliance framework sets out the compliance strategy, methodology and roles and responsibilities of the Board, EXCO, RISCO, Legal department and Operational Management Committee (MANCO) in compliance management. The PPECB Board has oversight responsibility with respect to compliance management and approves the legal compliance register annually, ensuring that the PPECB remains focused on complying with applicable legislation. The legal compliance register identifies relevant legislation, policies, and best practices. It includes a management action plan with due dates and responsible parties. During the review period, key focus areas included ethics hotline training, compliance with the Protection of Personal Information Act 4 of 2013 (POPIA), the promulgation of the Regulations relating to the Export of Perishable Products and the finalisation of the Border Management Authority (BMA) implementation protocol. To interpret and comply with the PFMA, the framework found on pages 28 and 29 of this report of acceptable levels of materiality and significance was applied during the 2024/2025 financial year. Throughout the review period, the organisation did not incur any significant penalties, sanctions, or fines due to violations or non-compliance with regulations.	• Corporate Governance Report
Principle 14 **The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.**	The PPECB has a Board Remuneration and Administration policy, which is intended to align Board and Board committee attendance allowances and remuneration, taking King IV principles into account. The policy is also in line with Section 9 of the Perishable Products Export Control Act 9 of 1983 (PPEC Act). The PPECB is committed to paying equitably and transparently. The entity's compensation practices are designed to ensure that all employees are fairly compensated for their work. The Remuneration Strategy and Policy are currently under review to ensure that they remain relevant and aligned to market changes. The remuneration of the Board and EXCO for the period under review is set out on pages 110 and 111.	• Board Remuneration and Administration Policy • Annual Financial Statements

PRINCIPLE	SUMMARY OF DISCLOSURES MADE	INTERNAL POLICY/DOCUMENT OR REPORT REFERENCED
Principle 15 **The governing body should ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of the organisation's external reports.**	The PPECB applies a combined assurance framework which outlines the categories of and types of assurance providers, processes, and criteria to be followed in assessing assurance providers and key role players with their specific roles and responsibilities. The combined assurance model comprises three lines of defence, namely management-based assurance, internal assurance and internal oversight committees, and independent assurance and external oversight committees. The Audit Committee was satisfied that the PPECB has optimised the assurance coverage obtained from management and internal and external assurance providers in accordance with the combined assurance framework. The members of the Board acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment.	• Combined Assurance Framework • Audit Committee Report • Annual Financial Statements
Principle 16 **In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.**	Customer centricity remains one of the major PPECB business objectives. The effectiveness of stakeholder management is measured by the annual Customer Satisfaction Survey. During the period under review, the PPECB achieved a 90% customer satisfaction rating for the year ending March 2025, which is in line with the previous year. The ICT department facilitated several engagement sessions central to aligning efforts across the value chain to drive digital transformation in the agri export sector. The PPECB's stakeholder universe has increased by 18% compared to the previous financial year. The arrangements for managing stakeholder relationships include regular communications with key stakeholders, set meetings with the Department of Agriculture (DoA), engagements by the stakeholder manager, pre-season meetings, and the PPECB's annual stakeholder event. On an annual basis and during peak seasons, the CEO/COO visit clients in the main production regions of South Africa. Further engagements also include visits to other international inspection authorities and relevant stakeholders abroad.	• Chairpersons Forward • CEO's Foreword • ICT Report

DEPARTMENTAL REPORTS

PART 03

ANNUAL REPORT
2024/2025

OPERATIONS REPORT

I am proud and pleased to report that the Perishable Products Export Control Board (PPECB) Operations team delivered a highly satisfactory performance, as is evident in the highlights stated below. This is despite unforgiving and intense weather conditions experienced for a third year in a row in some growing regions, which were exacerbated by challenging economic conditions.

VIEW ONLINE

CYRIL JULIUS
Chief Operations Officer
PPECB

The Operations department remained committed to ensuring the sustainability and longevity of the PPECB by upholding the highest standards of ethics and corporate governance practices. It executed the PPECB's statutory mandates through its inspection, cold chain management, food safety certification and laboratory services, as directed by the Perishable Products Export Control Act 9 of 1983 (PPEC Act) and the Agricultural Product Standards Act 119 of 1990 (APS Act). Certain commercial functions continued to be carried out to increase the PPECB's value proposition to customers.

51%
INCREASE IN ELECTRONIC EXPORT CERTIFICATES PROCESSED ON THE TITAN 2.0® PLATFORM

HIGHLIGHTS FOR THE FINANCIAL YEAR

- A 90% satisfaction rating was achieved in the PPECB annual Customer Satisfaction Survey;
- Delivered successfully on the PPECB's responsibilities for South Africa's false codling moth (FCM) risk management mandate (seventh year) and citrus black spot (CBS) risk management system (eighth year);
- The promulgation of the PPECB cold chain regulations;
- The first edition of the PPECB Research, Development and Innovation Journal was published;
- Rail transport research findings were published in the Farmers Weekly magazine;
- A climate change article was published in an international journal;
- The PPECB Laboratory passed its SANAS ISO 17025 Surveillance Assessment for the new five-year accreditation cycle. The performance was excellent, and the Laboratory continues to uphold its accreditation status;
- For the reporting period, 343 million cartons (95%) of all fruit products were inspected on TITAN 2.0® at 1 086 activity points;
- A total of 651 competency evaluations were conducted by the Harmonisation team in the current competency cycle;
- The TITAN 2.0® container inspection module was deployed during July 2024. 99% of the South African container depots as of year-end are utilising this module, which is the first totally paperless system within the PPECB;
- Inspection volumes on TITAN 2.0® were increased (table grapes 99%, citrus 97%, stone fruit 99%, avocados 97% and pome fruit 90%); and
- Electronic Export Certificates processed on the TITAN 2.0® platform increased by 51%.

INTERNATIONAL ENGAGEMENTS

The PPECB COO visited Geneva, Switzerland, to chair the United Nations Economic Commission for Europe (UNECE) 72nd session of the Specialised Section on Standardisation of Fresh Fruit and Vegetables. Notably, a UNECE standard for sweet potatoes was developed over the past two years by an international working group where the PPECB played a major role in having the standard drafted, accepted, and published. The COO was also re-elected as chairperson.

The PPECB COO visited Paris, France, to participate in the 83rd Plenary Meeting of the Organisation for Economic Co-operation and Development (OECD) Fruit and Vegetables Scheme to chair the meeting on behalf of the Department of Agriculture (DoA) and South Africa. This was the last time that South Africa chaired the meeting, but the COO will serve as the outgoing vice-chairperson for the next three years. A representative from Brazil will serve as chairperson and a representative from Germany as incoming vice-chairperson.

The General Manager of the Coastal division continues to serve as treasurer on the executive board of the Cool Chain Association (CCA), an international organisation based in Europe. A Memorandum of Agreement (MOA) exists between the PPECB and the CCA, formalising a collaborative partnership focused on research and innovation. Under this agreement, the PPECB and CCA have jointly undertaken research trials involving blueberries and raspberries, with a particular emphasis on the airfreight segment of the cold chain. These trials aim to enhance the understanding and optimisation of post-harvest quality and logistics for perishable airfreighted commodities.

A table grape refresher course was presented to the Namibian Agricultural Board (NAB) with 16 delegates attending and successfully completing a competency written examination. A one-day production training session on table grapes was conducted in Aussenkehr (southern Namibia) with 30 Namibian packhouse representatives in attendance.

The Chief Harmonisation Specialist attended a training workshop during June 2024 in the Netherlands, arranged by the Kwaliteits-Controle-Bureau (KCB) under the auspices of the OECD, where he presented on citrus quality aspects. He also assisted with the development of colour plates for limes and carried out inspections with the KCB inspectors on various citrus consignments from South Africa.

The Chief Harmonisation Specialist attended the International Meeting on Quality Control of Fruit and Vegetables, presented by the Federal Office for Agriculture and Food (BLE) in Bonn, Germany, during March 2025 and presented the UNECE standard on sweet potatoes, receiving very good feedback and interaction on the standard. The Produce Working Group Meeting of the OECD Fruit and Vegetables Scheme was held back-to-back with this meeting.

OPERATIONS' TOP-LINE FINANCIAL RESULTS

The Operations department realised a surplus of R156.6 million at the end of the fiscal year under review. The total operational income realised was R618.4 million against the prior year's operational income which amounted to R612.8 million. The budgeted shortfall in income was due to lower volumes of fruit exports: citrus (-6%), table grapes (-6%), pome fruit (-7%) and stone fruit (-8%). In the 'other products' category, exports consisted of maize and grain (-49%), canning (-17%) and groundnuts (-30%). Expenditure was well managed and amounted to R461.8 million, a 4% increase on the prior year of R442.0 million.

The PPECB Laboratory's expansion plan is still being implemented, and the new equipment will start generating income during the 2025/2026 financial year due to method validations underway. Despite this, income came to R23.1 million against a budget of R28.6 million. A R3.5 million improvement on the prior year's actual income is reported.

A COMMITTED TEAM DELIVERING EFFECTIVELY - WORKFORCE PLANNING

The annual citrus and deciduous relief duty planning, as well as five-year resource planning for the 2024/2025 financial year, were successfully concluded as a sufficient number of trained personnel were available. The planning office consolidated the feedback from the planning process, and the outcomes were incorporated into the 2025/2026 budget.

The 2024 citrus relief duty plan comprised 390 placements, including 162 graduates and 12 retirees. The final 2024/2025 deciduous relief duty plan comprised 302 placements, including one graduate and two retirees.

The Acting Chief Inspector and Lead Assessor initiative, which aims to improve operational oversight and develop supervisory capacity, was successfully implemented for the sixth year. For the 2024/2025 cycle, 18 Acting Chief Inspectors and six Acting Lead Assessors were appointed. This initiative contributes significantly to the capacity-building process for potential permanent supervisory roles and also supports succession planning. Further, an analysis was conducted on the senior inspector and senior assessor needs, and the outcome reflected a shortage of seven senior positions in three different regions.

The PPECB employees in inspection services spent a total of 19,694 days on relief duty and travelled approximately 5.26 million kilometres (a 0.5% decrease) to ensure that service delivery was carried out promptly and in accordance with the stakeholders' needs.

The Agri Export Technologist Programme (AETP) continues to be highly beneficial to the PPECB as a feeder programme for new appointees. The programme aims to develop a pool of competent inspectors for entry into the agricultural sector.

During the 2024/2025 financial year, 53 AETP participants were trained in operations. The PPECB is using this pool of competent temporary inspectors to supplement capacity during the peak periods to ensure service excellence and the meeting of customer expectations. There was also a significant decrease in the number of retirees, from twelve employees to one, to manage the risk associated with the employment of retired employees and to create job opportunities for unemployed graduates.

CERTIFICATION

During the 2024/2025 financial year, the certification desks processed 285 787 export certificates nationally, an increase of 23% compared to the previous financial year. These certificates represent more than 360 million cartons (-0,3% on the previous year) and 330 million kilograms (+6% on the previous year). A total of 6 081 certificates (-18% on the previous year) were identified with mistakes and had to be re-issued. Altogether 8 134 certificates (-5%) were cancelled for various reasons. In total, 4.98% of all certificates were identified with mistakes and were cancelled.

EXPORT CERTIFICATION STATISTICS 1 APRIL 2024 - 31 MARCH 2025

Region	Total Export Certificates Signed	Total Export Certificates Incorrect	Total Export Certificates Cancelled
Cape Town Airport	163 964	3 516	2 648
Ceres	4 537	0	383
Citrusdal	4 275	48	196
Durban	26 592	486	1 171
Gauteng	36 980	1 442	445
Grabouw	11 886	0	772
Nelspruit	2 579	43	83
Paarl	14 976	17	478
PE	18 140	355	1 955
Robertson	1 854	168	3
Tzaneen	4	6	0
TOTAL	**285 787**	**6 081**	**8 134**
Percentage		**2.13%**	**2.85%**

BUSINESS OPTIMISATION - PROVIDING SUPPORT AND INCREASING EFFICIENCIES

THE PPECB ORGANISATIONAL PERFORMANCE

The PPECB Annual Performance Plan (APP) was submitted to the Department of Agriculture (DoA). This report included the revised Organisational Performance Indicators per division, which will be implemented during the 2025/2026 financial year. Organisational Performance Indicator reports for all four quarters were submitted to the DoA. In total, the organisation met or exceeded 11 performance targets out of 14, representing an achievement of 79%.

ORGANISATIONAL PERFORMANCE INDICATORS FOR 2024/2025

Programme	Number of targets achieved	Number of targets not achieved
Corporate Services	5	2
Operational Services	2	1
Food Safety Services	2	0
Transformation and Development Services	5	0
TOTAL	**14**	**3**

TITAN 2.0®

Several external engagements were held with vendors, clearing and forwarding agents, packhouses, and exporters to discuss and address challenges encountered and to facilitate the TITAN 2.0® integration process. Additionally, a strategic vendor meeting was held with all software vendors, eCert and the DoA to discuss the streamlining of digital processes, challenges encountered, and client expectations. In parallel, various industry and internal platforms were utilised to review and agree on the alignment of improvement requirements, ensuring a coordinated and consultative approach to implementation.

BUSINESS PROCESS OPTIMISATION (BPO)

A project was initiated to map out all the business processes within the PPECB across all departments. Business process optimisation involves improving existing processes and ultimately leading to better business outcomes. It is a continuous process of identifying and addressing inefficiencies, and it is a key part of business process management. The overall goals are to align operations with the business strategy, improve efficiencies, redesign business processes where applicable, embrace systems and technologies, increase productivity, and reduce cost.

During this centralised process, the following will be identified:

- Those processes that are still manual and can be digitised;
- Optimisation opportunities; and
- Inefficiencies in the systems.

Associated action plans with responsible subject matter experts will be implemented to address the identified gaps.

HORTICULTURE INDUSTRY CODE STANDARDISATION MEETING (HICS)

The platform consists of industry and governmental representatives and is chaired by the PPECB. The HICS working group's initial focus was the standardisation of marketing indicators, cultivars, and cultivar synonyms, which was successfully completed, and all supply chain service providers were given access to the standardised data. During the quarterly meetings, ad hoc challenges were discussed, and feedback was provided on the progress related to system developments.

Nominations by industry representatives were received for the working group to be centred on standardising pack codes across all product categories. The data on pack codes made available by the representatives of the citrus fruit and table grape industries will serve as the foundation for the consolidation process. The ultimate goal of this method is to prevent code duplication across the various product groups by creating a centralised list of pack codes for each product group. The working group will initiate the first sessions in 2025.

The creation of a Master Data Application Programming Interface (API) was concluded by the PPECB team. The API will replace the manual Addendum information pack that is currently in use. Customers will now have the option to obtain the Addendum information pack digitally, as it will no longer be sent to them by email in an Excel file. The deployment of the API is scheduled for quarter one of 2025.

ENTERPRISE RESOURCE PLANNING (ERP)

The PPECB has initiated the introduction of an Enterprise Resource Planning (ERP) system to replace its legacy NAVISION system. The ERP system for both financial and operational transactions has been implemented. Enhancements to the system were concluded, as the business becomes more comfortable with the system, opportunities for efficiencies are identified and implemented, depending on approval of costs.

With the internal component of the ERP having stabilised sufficiently, the focus is now on improving efficiencies for external parties such as vendors and customers. The vendor collaboration portal will be the first external-facing component to be implemented. This will enable vendors to register with the PPECB and to submit invoices and quotations online. The customer portal is planned for implementation by mid-2025, enabling customers to register with the PPECB, receive invoices and statements, and log service requests and queries online.

OPERATIONS AND FINANCE COLLABORATION

Due to developments within the PPECB regarding the ERP system, there were significant process changes compared to how activities were handled previously in the legacy NAVISION system. As part of the change, several challenges were experienced, resulting in capturing backlogs, duplication of effort, misalignment between the Operations and Finance departments (with regard to the capturing and processing of payments), system enhancements, and continuously increasing workloads. A two-day, face-to-face workshop was held between the Regional Administrators, Laboratory, Food Safety units and the Finance department. During the workshop, all new and revised processes were discussed, alignment between different role-players was confirmed, and role clarification was also completed.

INSPECTION SERVICES - THE PPECB'S CORE COMPETENCE

Operations achieved a 76% (1% year on year decrease) ratio of product-related hours, while 24% of non-billable hours were attributed to, among other things, leave (11.5%), training (7.3%), meetings (1%), and administration (3.7%). Productivity (time allocated for legitimate reasons) of 99% was maintained, with the balance of 1% unproductive time resulting from diminished activity in regions between the seasons, particularly during October.

National volumes inspected - all products 1 April 2024 - 31 March 2025

Volumes inspected	Actual	Budget	Variance	Percentage (%)
Canning (kg)	68 487 131	82 408 066	-13 920 935	83
Citrus (cartons)	171 518 231	182 964 712	-11 446 481	94
Dried fruit (kg)	82 490 587	66 810 000	15 680 587	123
Flowers (kg)	7 945 978	4 510 500	3 435 478	176
Grapes (cartons)	69 724 450	73 836 002	-4 111 552	94
Ground nuts (tonnes)	6 154	8 743	-2 627	70
Tree nuts (pecan and macadamia) (tonnes)	79 989	52 108	27 881	154
Maize and Grain (tonnes)	1 684 817	3 317 580	-1 632 763	51
Other fruit (cartons)	14 195 616	8 807 685	5 387 931	161
Blueberries (cartons) **	8 301 540	2 495 021	5 806 519	333
Deciduous - pome fruit (cartons)	61 983 415	66 414 886	-4 431 471	93
Deciduous - stone fruit (cartons)	22 979 162	24 922 371	-1 943 209	92
Red tea (kg)	12 373 580	12 557 084	-183 504	99
Subtropical - avocados (cartons)	19 525 185	16 554 862	2 970 323	118
Subtropical - mangoes (cartons)	1 759 916	1 500 000	259 916	117
Subtropical - litchis (cartons)	377 103	1 250 000	-872 897	30
Vegetables (kg)	123 961 188	103 754 720	22 107 532	121
Volumes shipped	**Actual**	**Budget**	**Variance**	**Percentage (%)**
Containers	176 189	213 460	-37 271	83
Conventional	286 399	243 580	42 819	118

** Includes re-inspections*
*** Volumes included in other fruit*

BELOW-NORMAL EXPORTS

for most products were recorded against budgeted volumes for:

Citrus	**(-6%)**
Table grapes	**(-6%)**
Groundnuts	**(-30%)**
Stone fruit	**(-8%)**
Pome fruit	**(-7%)**
Maize and grain products	**(-49%)**
Canning	**(-17%)**
Litchis	**(-70%)**

ABOVE-NORMAL EXPORTS

for products were recorded against budgeted volumes for:

Dried fruit	**(+23%)**
Flowers	**(+76%)**
Tree nuts	**(+54%)**
Avocados	**(+18%)**
Other fruit	**(+61%)**
Vegetables	**(+21%)**
Mangoes	**(+17%)**

DECIDUOUS FRUIT

TABLE GRAPES

The table grape volumes inspected at the end of March 2025 were 69.7 million cartons, against a budget of 73.8 million cartons, which was 6% below expectation. The northern growing regions (Senwes) and Ceres (Saron) regions fell short of their forecasted volumes by 4% (3.2 million cartons) due to rain, and a further 2% (1.2 million cartons) due to quality-related shortcomings.

Lower yields in early-season varieties across the Northern and Orange River regions contributed to a temporary drop in December volumes. However, mid-to-late season harvests in the Olifants, Berg, and Hex River regions showed favourable growth, and export volumes remained steady throughout the season.

South African table grapes entered relatively empty European and United Kingdom (UK) markets late in 2024, leading to strong early-season sales to meet seasonal holiday demand. Substantial volumes were dispatched via airfreight, demonstrating high market interest and demand despite increased logistics costs.

The Cape Town Container Terminal displayed some efficiency improvements, with average windbound hours improving during the season. Productivity, measured in gross crane movements per hour, improved, and extra operational hours over Christmas and New Year also boosted productivity.

On 26 February 2025, the Philippine market officially opened to South African table grapes, concluding a negotiation process that began in January 2015.

The primary export destinations were the European Union (EU) (60%), the United Kingdom (UK) (20%), and North America (8%).

TABLE GRAPE INSPECTIONS 2024/2025

White seeded	1%
Red seeded	2%
Mixed	4%
Black seedless	12%
White seedless	40%
Red seedless	41%

TABLE GRAPE EXPORT DESTINATIONS 2024/2025

Russian Federation	1%
Asia	1%
Africa	2%
South East Asia	2%
Middle East	6%
North America	8%
United Kingdom	20%
European Union	60%

69.7 million

CARTONS OF TABLE GRAPES WERE INSPECTED

POME FRUIT

Pome fruit inspection volumes at the end of March 2025 were 61.9 million cartons, against a budget of 66.4 million, which was 7% below expectation. The main reasons for the shortfall were that the Ceres growing region was still recovering from the hail damage sustained during the previous season, as well as subdued export volumes during the first two quarters of the 2024 season. The Langkloof area experienced hail once again during 2024, resulting in a drop of 11% below budgeted volumes.

The new season started seven to ten days later than last year. Initial forecasts for the 2025 season indicated a further growth of 5% over the 2024 figures. Apples are expected to see a 5% increase in export volumes, with pear export estimates also increasing by 4%. The growth in volumes can be attributed to increased production from young orchards reaching maturity, the cultivation of higher-yielding apple varieties, recovery from the adverse effects of hail and floods in 2023, and generally favourable weather conditions experienced during 2024. Cooler night-time temperatures have also been advantageous for fruit growth and colour development, contributing to the improved overall quality of crops.

The 2024 pome fruit season overall achieved an improvement in export volumes of both apples and pears compared to the previous season.

The Thailand market opened for the first time in early 2025, creating new opportunities for the industry. Clients have, however, remained cautious as they are not sure what to expect, and it is still too early to determine the intricacies of this new market.

POME FRUIT EXPORT DESTINATIONS 2024/2025

North America	2%
Indian Ocean Islands	2%
Russian Federation	7%
South East Asia	9%
Middle East	13%
United Kingdom	16%
Asia	16%
European Union	17%
Africa	18%

APPLE EXPORT DESTINATIONS 2024/2025

North America	1%
Indian Ocean Islands	2%
Russian Federation	5%
European Union	8%
Middle East	11%
South East Asia	12%
Asia	17%
United Kingdom	20%
Africa	24%

PEAR EXPORT DESTINATIONS 2024/2025

Indian Ocean Islands	2%
North America	3%
Africa	3%
South East Asia	3%
United Kingdom	6%
Russian Federation	13%
Asia	15%
Middle East	18%
European Union	37%

STONE FRUIT

Stone fruit inspected volumes at the end of March 2025 were 23 million cartons against a budget of 24.9 million cartons, which is 8% below expectation.

A wet and cold 2024 winter ensured strong water security, but cooler spring weather delayed harvests by up to two weeks. Despite the slower start, early shipments benefited from high demand in undersupplied markets, leading to favourable returns. Ideal conditions in the Western Cape resulted in exceptional fruit quality, ensuring positive feedback from industry stakeholders.

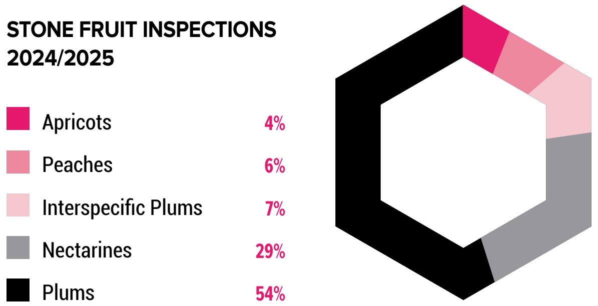
Export volumes were higher compared to the previous season, mainly due to improved weather conditions, with no rain between November 2024 and the end of February 2025. The favourable weather conditions, however, created a bottleneck during January, with mid-season cultivars ripening at the same time. This placed packhouses under pressure and resulted in extended shifts being worked.

Overall quality remained good throughout the season, and rejections reported were for over-maturity, decay and low degrees Brix. Fruit fly and false codling moth rejections were reported in quarter four, resulting in numerous orchards being blocked for the EU and UK export markets. Rejections for scale were also unusually high during February.

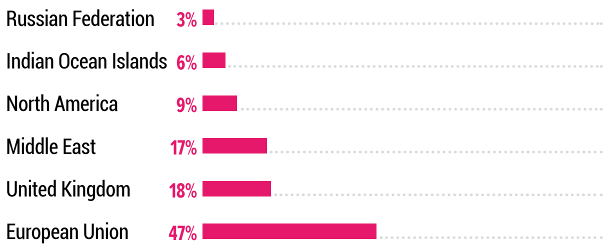
Despite the good start to the stone fruit season, the export volume dropped significantly in March, bringing the season to a slightly earlier close than usual.

Export Markets
While Europe and the United Kingdom remain the largest markets for stone fruit, efforts to expand into the USA, India, and China are gaining traction.

STONE FRUIT INSPECTIONS 2024/2025



STONE FRUIT EXPORT DESTINATIONS 2024/2025



23 million
CARTONS OF STONE FRUIT WERE INSPECTED

CITRUS FRUIT

The citrus industry concluded the financial year with a performance that underscores its resilience and operational consistency, despite navigating a particularly challenging landscape. A total of 171.5 million cartons were inspected, falling slightly short of the budgeted target by 18.3 million cartons. This figure comprised 168.7 million cartons from first inspections and 2.8 million cartons from re-inspections.

This outcome is significant given the multitude of obstacles that confronted the industry over the past year. Key challenges included:

- The redirection of export-grade fruit to juicing channels;
- Heightened market pressures and shifting global demand patterns;
- Complex international trade conditions influenced by geopolitical and economic factors;
- Diverse and often adverse weather events that compromised the quality and volume of exportable fruit; and
- Continued logistical bottlenecks impacting the timely movement of produce to key markets.

Despite these impediments, the industry's ability to maintain high inspection volumes reflects robust sector coordination, strong stakeholder commitment, and ongoing efforts to adapt to evolving circumstances.

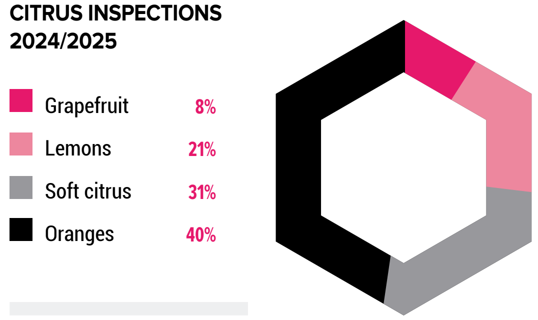
Citrus black spot (CBS) remains a significant concern for the South African citrus industry. During the reporting period, local CBS rejections increased by 51% compared to the previous citrus season. However, enhanced line inspections played a critical role in detecting CBS within packhouses. On a positive note, international CBS interceptions declined, dropping from 49 hits in 2023 to 31 in 2024, indicating improved control measures and compliance.

Similarly, false codling moth (FCM) interceptions saw an encouraging downward trend. Local FCM detections declined by 11%, while international interceptions dropped, with only one case reported in Europe during the 2024 citrus season, compared to three cases in the previous season.

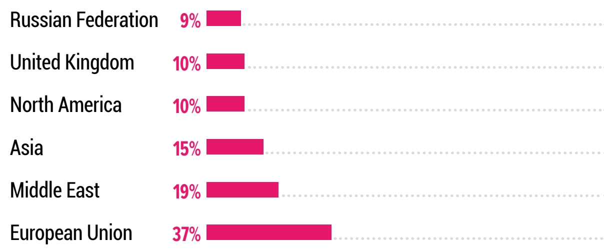
CITRUS FRUIT INSPECTIONS (CARTONS) **Excludes re-inspections*

Products	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
Grapefruit	14 317 991	12 990 680	13 172 897	1
Kumquats	214 048	218 806	229 603	5
Lemons	35 326 050	35 638 112	34 552 247	-3
Limes	57 719	34 562	21 494	-38
Mandarin			12 100	-
Oranges	77 488 914	73 563 395	67 636 179	-8
Pummelos (shaddocks)	130 018	114 690	153 800	34
Soft citrus	42 696 473	51 685 660	52 895 539	2
GRAND TOTAL	**170 231 213**	**174 245 905**	**168 673 859**	**-3**

CITRUS INSPECTIONS 2024/2025



CITRUS FRUIT EXPORT DESTINATIONS 2024/2025



CITRUS FRUIT DESTINATION DISTRIBUTION (PALLETS)

Destination Trade Region	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
Africa	20 217	31 948	24 152	-24
Asia	203 571	166 763	173 567	4
Europe other	3 482	3 899	4 580	17
European Union	678 840	706 746	787 360	11
Indian Ocean Islands	13 428	11 220	15 265	36
Middle East	377 068	372 794	412 692	11
North America	196 343	182 641	212 995	17
Oceania		80		-
Russian Federation	178 631	185 471	195 962	6
South East Asia	238 123	176 895	152 104	-14
South America	2 020	4 962	7 040	42
United Kingdom	189 489	180 875	208 630	15

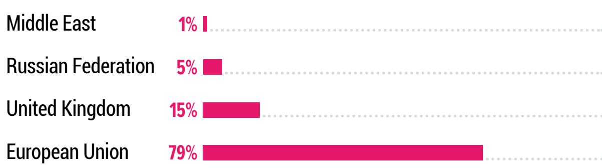
SUBTROPICAL FRUIT

AVOCADOS
The avocado season commenced with a positive outlook in terms of volumes. A total of 100 348 pallets were shipped via sea freight whilst 825 367 kilograms were inspected and shipped via air freight. Air freight was the preferred mode of transport at the beginning of the season. At the beginning of the financial year, volumes moved relatively slowly due to the favourable prices from the local market. Fruit rejections were mainly due to under-mass cartons, faulty consignment notes, visible spray residue, lenticel damage, collective deviations, mass range, malformation, sunburn, cold damage, collective decay factors, and general marking requirements.

The target market for 80% of the crop was the European Union, followed by 15% to the United Kingdom. The remaining volumes were exported to Russia, the Middle East, East Asia, and Africa. The highlight of the season was the excellent arrival quality of containers from Tzaneen to China and Japan. These were pilot consignments to confirm the required temperature regimes.

AVOCADO EXPORT DESTINATIONS (PALLETS)

Destination Region	Volumes Exported
European Union	78 916
United Kingdom	15 377
Russian Federation	4 794
Middle East	860
Africa	140
Asia	120
South East Asia	80
North America	60
Indian Ocean Islands	1
Total	**100 348**

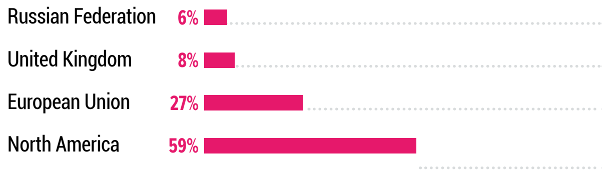


100 348
PALLETS OF AVOCADOS
SHIPPED VIA SEA FREIGHT

LITCHIS
Volumes inspected for exports were very low for the 2024/2025 season across all regions. This was attributed to the size of the fruit, which was not suitable for export. In some instances, exporters had to apply for dispensations in order to export their fruit. The small fruit sizes were caused by a lack of rain and extremely hot days, especially during the flowering stage, which is a highly sensitive period for the crop.

The season was one of the most challenging ever recorded. The total volume inspected was 377 103 cartons (-70%), compared to a budget of 1 250 000 cartons. In terms of challenges, the Tzaneen area struggled with litchi moth and FCM.

LITCHI EXPORT DESTINATIONS 2024/2025



MANGOES
Hoedspruit and Malelane commenced mango inspections for export in week 48. The total volume inspected was 1 759 916 cartons, compared to a budget of 1 500 000 cartons, representing a 17% increase above budget. These volumes were higher than in the 2023 season. Overall, the quality was generally good. Rejections were due to marking requirements, excessive wax, minimum diameter too small, mass range, under-mass, and mango weevil. Over 73% of the fruit was destined for the Middle East, 26% to Africa, and the remainder was sent via air freight to Asia, the UK, Europe, and the Indian Ocean Islands.

OTHER FRUIT

Other fruit volumes at the end of March 2025 were 14.2 million cartons against a budget of 8.8 million, representing an increase of 61%. Blueberries accounted for 58.5% of the total other fruit volume. (Other fruit includes bananas, cherries, dragon fruit, figs, fresh dates, passion fruit, guavas, kiwi fruit, papinos, persimmons, pomegranates, prickly pears, watermelon, strawberries, raspberries, gooseberries, blackberries and blueberries.)

GRAIN AND GRAIN PRODUCTS

The financial year concluded on a disappointing note, with grain exports falling significantly short of expectations. Only 1.6 million tonnes of maize were inspected for export, compared to a budgeted target of 3.3 million tonnes. This shortfall was primarily attributed to adverse weather conditions and unfavourable market and pricing dynamics, which severely impacted export potential.

During the reporting period, cross-border exports into Africa served as the primary channel for grain distribution. In stark contrast to the previous reporting period, when 2.4 million tonnes were exported via deep-sea vessels, only just over 30 000 tonnes of grain and maize products were shipped through this route in the current year.

GRAIN AND GRAIN PRODUCTS INSPECTED VOLUMES (TONNES)

Product Name	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
Barley	72	36	-	-
Dry beans	6 458	2 460	3 332	35
Feed products	110 083	212 559	2 112 088	894
Grain sorghum	4 544	5 810	45 641	686
Grass seeds	68	-	-	-
Kernels (apricot/peach)	46 108	49 348	33 216	-33
Leguminous seeds	27 760	25 231	14 143	-44
Lucerne	141 938	784 360	151 558	-81
Maize (mielies) bulk	2 802 234	2 201 597	141 207	-94
Maize (mielies) non-bulk	456 193	880 467	1 179 348	34
Maize products (other)	134 475	437 546	315 191	-28
Popcorn	84 271	96 902	96 043	-1
Wheat	211 229	109 664	139 316	27
TOTAL	**4 025 433**	**4 805 979**	**4 231 083**	**-12**

GRAIN AND GRAIN PRODUCTS EXPORT DESTINATIONS (TONNES)

Target Market	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
Africa	987 666	783 623	2 636 935	237
Asia	919 563	944 659	50 613	-95
Central America	-	41 132	-	-
Europe other	382	-	100	-
European Union	327 461	49 847	948	-98
Indian Ocean Islands	7 056	1 661	2 043	23
Middle East	90 369	759 680	162 109	-79
North America	466 257	1 794	-	-
Not available	46 108	15 098	-	-
Oceania	99	21	-	-
Russian Federation	250	125	150	20
South East Asia	1 174 027	1 052 020	22 476	-98
South America	203	527	600	14
United Kingdom	4 509	6 704	1 013	-85
Null	1 483	1 149 089	1 354 097	18
TOTAL	**4 025 433**	**4 805 979**	**4 231 083**	**-12**

GROUNDNUTS AND TREE NUTS

GROUNDNUTS
The groundnut market has continued its downward trend over the past four years. The volume inspected for the 2024/2025 financial year was 6 154 tonnes, compared to a budget of 8 743 tonnes, marking a 30% decrease against the budget. The primary reasons for the low export volumes were favourable local pricing and strong domestic demand. In addition, fewer producers opted to plant during the last season. The inspected produce was bound for Asia (50%), Europe (34%) and Africa (16%). The overall quality of the crop was good.

GROUNDNUT EXPORT DESTINATIONS (TONNES)

Destination Region	Quantity passed	Percentage (%)
Asia	3 088	50
Africa	989	16
EU	2 077	34
TOTAL	**6 154**	**100**

TREE NUTS
The macadamia nut volumes presented for export inspection continue to increase gradually each season. For the 2024/2025 financial year, 44 415 tonnes were inspected for export, compared to a budgeted volume of 25 000 tonnes. A total of five new processing facilities were registered for export during the season. The increase in volume is attributed to better prices as well as a significantly large crop. Further growth in volume is anticipated in the coming years as more plantings are being established throughout the country. The season concluded in week 44. The main challenge encountered was meeting marking requirements. The bulk of the inspected crop was exported to Asia, as shown below.

MACADAMIA EXPORT DESTINATIONS (TONNES)

Destination Region	Quantity passed
Asia	43 741
EU	557
Africa	116
UK	1
TOTAL	**44 415**

PECAN NUTS
The pecan nut season started late in week 21 due to cold weather; however, volumes picked up soon thereafter. A total of 34 220 tonnes were inspected for export, compared to the budget of 27 108 tonnes, which is a 26% increase over the budget. Some producers had to extend their packing hours to reduce market competition. The season was longer than usual, with packing continuing until week 46.

PECAN NUT EXPORT DESTINATIONS (TONNES)

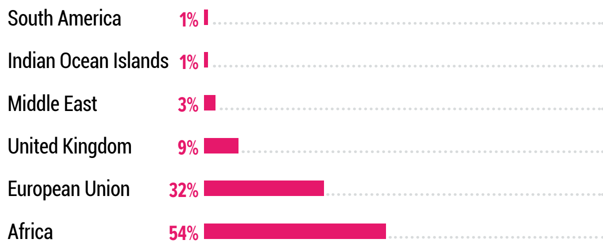
Destination Region	Quantity passed
Asia	33 767
EU	259
Africa	182
UK	12
Total	**34 220**

VEGETABLES

The lifting of the vegetable export ban to neighbouring countries led to a significant increase in exports. A total of 123 961 188 kilograms of vegetables were inspected, exceeding the budgeted amount of 103 754 720 kilograms. Strong local demand and attractive prices continue to compete with export markets. Road freight remains the primary mode of transport for cross-border exports into Africa, while sea and air freight are used for destinations further afield from South Africa.

Passed volume (kg)	Rejected volume (kg)	Total inspected (kg)	Percentage Rejected (%)
122 884 174	1 077 014	123 961 188	0.87

VEGETABLES EXPORT DESTINATIONS 2024/2025



TOP VEGETABLE PRODUCTS INSPECTED	KG
Potatoes	24 451 274
Onions	23 103 720
Butternut	20 444 982
Vegetables (not specified)	15 585 568
Mixed vegetables	14 022 666
Pumpkin	11 650 033
Sweet potatoes	8 361 526
Carrots	1 434 806
Mini vegetables	1 123 821

PROJECT TITAN 2.0® - MAKING DIGITAL PROGRESS

TITAN 2.0® PRODUCT INSPECTION AND EXPORT CERTIFICATION

For the reporting period, 343 million cartons (95%) of all fruit products were inspected on TITAN 2.0® across 1 086 activity points. Increasing the volumes for products with lower inspection percentages and increasing re-inspection volumes via the digital platform remains a dedicated focus area. A formal communication was sent to industry stakeholders notifying them that, as of 1 August 2024, blueberry inspections would be mandatory on the TITAN 2.0® platform.

The following TITAN 2.0® achievements/enhancements were deployed for the reporting period:

ELECTRONIC CONSIGNMENT REPORT
The PPECB TITAN 2.0® system now provides clients with a fully electronic, signed, and stamped PDF Consignment Report. As a result, the PPECB will no longer stamp and sign any other form of consignment note for the products inspected via the TITAN 2.0® mobile application. Packhouses, depots and cold stores where first and re-inspections of products are conducted will no longer need to print any consignment notes from their Software Vendor Systems, as the Electronic Consignment Report generated by the TITAN 2.0® system will serve as the final and official document, ensuring a fully paperless process.

EMPLOYEE FIELD LENGTH INCREASE
The system was updated to accommodate employee numbers of up to 10 digits to align with the MyHC requirements.

E-CERT TRACKING UNIT MANAGER (TUM) VERSION 3 INTEGRATION
The TITAN 2.0® system is now fully integrated with the latest version of the E-cert Tracking Unit Manager (TUM) version 3.

REMOVAL OF THE VALIDATION FOR NON-REGULATED FIELDS AT RE-INSPECTION AGAINST FIRST INSPECTION
When packhouses, inspection depots and inspection cold stores submit a re-inspection message/file, the following non-regulated fields will not validate against the first inspection data:

- Protocol Exception Indicator;
- Pre-packing Treatment;
- Size/Count;
- Pack Code;
- Inventory Code; and
- PhytoData (only non-Special Markets).

TITAN 2.0® ELECTRONIC EXPORT CERTIFICATES

A total of 110 961 Electronic Export Certificates were processed on the TITAN 2.0® platform between 1 April 2024 and 31 March 2025. This represents a 51% increase compared to the 73 654 certificates processed during the same period in the previous year - a rise of 37 307 certificates. Most of these were for citrus exports, accounting for 71 256 electronic certificates. The increase in adoption is attributed to the efficiency of the electronic process.

Due to the increase in applications, intermittent performance challenges were experienced. These were reported and addressed accordingly. One of the key improvements was the removal of non-mandatory validations to improve system performance.

With the deciduous season concluded, a total of 36 391 certificates were processed electronically for pome fruit, stone fruit and grapes, compared to 21 524 during the same period in the previous financial year.

ELECTRONIC CERTIFICATES PER REGION

Region	Export Certificates
Cape Town Airport office	67 320
Durban office	15 698
Paarl office	12 344
Gqeberha office	13 162
Gauteng office	604
Grabouw office	1 803
Total	**110 961**

ELECTRONIC CERTIFICATES PER PRODUCT

Product	Export Certificates
Citrus	71 256
Grapes	19 944
Pome fruit	12 826
Stone fruit	3 617
Other fruit	674
Avocados	2 347
Litchis	2
Mangoes	259
Total	**110 961**

VOLUMES INSPECTED ON TITAN 2.0® (CARTONS)

Product	Total	TITAN 2.0®	Percentage TITAN 2.0® (%)
Avocados	19 525 185	18 919 892	96.90%
Citrus fruit	171 518 231	167 154 123	97.46%
Grapes	69 724 450	69 071 284	99.06%
Other fruit	14 195 616	8 251 918	58.13%
Pome fruit	61 983 415	55 954 144	90.27%
Stone fruit	22 979 162	22 679 110	98.69%
Mangoes	1 759 916	1 620 162	92.06%
Litchis	377 103	183 893	48.76%
Grand Total	**362 063 078**	**343 864 619**	**94.97%**

VOLUMES INSPECTED PER REGION ON TITAN 2.0® (CARTONS)

Region	2023/2024	2024/2025
Ceres	30 958 666	34 739 025
Citrusdal	57 915 766	55 518 571
Durban	2 976 084	3 090 754
Eastern Cape	58 021 248	62 348 749
Gauteng	28 493 748	24 725 760
Grabouw	27 010 625	25 873 863
Cape Town	0	369 326
Nelspruit	37 836 911	37 516 288
Paarl	19 086 412	21 133 027
Robertson	38 416 717	40 723 309
Tzaneen	35 892 642	37 825 946
Grand Total	**336 608 818**	**343 864 619**

VOLUME RE-INSPECTED PER REGION ON TITAN 2.0® (CARTONS)

Region	2023/2024	2024/2025
Ceres	297 820	533,407
Citrusdal	18 361	51,494
Durban	78 720	400,999
Eastern Cape	293 195	515,888
Gauteng	6 075	135,669
Grabouw	2 193 116	2,887,500
Cape Town	0	200
Nelspruit	320	0
Paarl	202 577	208,885
Robertson	68 473	134,859
Tzaneen	0	1,056
Grand Total	**3 158 657**	**4 869 957**

TITAN 2.0® COLD CHAIN

During the reporting period, the PPECB focused on the export notification, container inspection, and container loading cold chain modules.

EXPORT NOTIFICATIONS (EN) AND ORGANISATIONAL LINKING

During the reporting period, it was mandatory for all products regulated under the Agricultural Products Standards Act 119 of 1990 (APS Act) to make use of electronic Export Notifications (EN). This requirement is closely tied to the organisational linking functionality of the TITAN 2.0® platform, which supports service providers registered as food business operators (FBO).

The TITAN 2.0® development team initiated a review of the system enhancements on Export Notifications to better accommodate industry needs. As a result of these efforts and broader platform adoption, over 90% of bookings were completed electronically through TITAN 2.0®. Further user-centric improvements to the EN system were introduced to enhance usability, streamline processes, and reduce user error.

CONTAINER LOADING MODULE

The container loading module was further developed to standardise and validate critical export information. Electronic data fields, required for completion, were introduced to the TITAN 2.0® platform to ensure compliance with phytosanitary certification requirements, particularly for citrus containers exported to European markets.

Throughout the reporting period, the TITAN 2.0® team worked in close consultation with stakeholders to define and develop the full scope of these data fields. As part of the validation process, pallets scheduled for container loading are now cross-checked against product inspection records to confirm the age of the produce and the status of prior inspections. The container loading module is scheduled for deployment in the 2025/2026 financial year.

CONTAINER INSPECTIONS

The container inspection module officially launched in June 2024, encompassing inspections for cleanliness, pre-trip, dual, and calibration checks. Within three months, all container depots nationwide had been successfully onboarded and were actively conducting inspections via the TITAN 2.0® platform.

The transition was implemented smoothly, with minimal issues reported by container depots and cold chain personnel. The digitisation of inspection records enabled a seamless transition from inspection to billing, significantly improving operational efficiency. Notably, the introduction of electronic capturing eliminated the need for manual data entry, resulting in the reduction of eight contract data capturing roles.

The TITAN 2.0® cold chain platform continues to evolve as a central digital infrastructure supporting regulatory compliance, operational efficiency, and stakeholder collaboration in the agricultural export sector. The successful implementation of enhancements to the export notification, container loading, and container inspection modules during this reporting period reflects strong progress toward fully integrated and paperless export certification processes.

CHALLENGES EXPERIENCED FOR PRODUCT INSPECTION AND COLD CHAIN INCLUDE:

- Season ID issues experienced by clients during the deployment of the integration with the eCert Tracking Unit Manager (TUM) version 3;
- Performance delays in the eAddendum view affecting the processing of export certificates;
- Requests for additional information on the Electronic Consignment report;
- Export Notification Application Programming Interface (API) altering the date and time functionality; and
- Poor network connectivity at certain cold stores.

TITAN 2.0® PRIORITIES FOR 2025 INCLUDE:

- Container loading module;
- Organisational linking and nomination;
- Digital Export Certificate API;
- Integration of Non-TITAN 2.0® products with the TITAN 2.0® platform; and
- Internal and external amendments.

The PPECB continues to adapt its products, services and processes to make them more user-friendly and efficient for stakeholders. Additional products and services will be introduced, beyond core offerings, to increase the overall value proposition to Government and the industry. This will be achieved through the ongoing development of the mobile technology platform, which aims to accommodate all operational modules in both product inspection and cold chain management.

COLD CHAIN SERVICES

COLD CHAIN REGULATIONS

The Regulations Relating to the Export of Perishable Products (R709 of 2024) were promulgated on 17 January 2025 and are scheduled to come into effect on 18 July 2025. These regulations represent the culmination of more than a decade of work by the PPECB in developing a comprehensive regulatory framework governing the export of perishable goods from South Africa.

In anticipation of implementation, the PPECB has undertaken extensive awareness and engagement initiatives. These efforts have included internal briefings as well as targeted external outreach, most notably through citrus preseason workshops. These initiatives have generated significant interest across the sector, resulting in a high volume of enquiries from industry stakeholders regarding the practical implications and compliance requirements of the new regulations.

CONTAINERS

Container volumes declined by 6% during the 2023/2024 reporting period, followed by a further 3% decrease in the current financial year. This downward trend has been significantly influenced by reduced export volumes across key commodity groups - namely citrus, table grapes, deciduous fruit, and subtropical fruit. In addition to lower production, weather-related delays, operational inefficiencies at ports, and vessels bypassing South African ports have further exacerbated the decline in containerised exports.

TOTAL CONTAINERS - ALL PRODUCTS

Ports	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
Cape Town	102 192	93 696	91 311	-3
Coega	15 259	15 281	15 100	-1
Durban	58 837	53 351	48 830	-8
Maputo	708	1 224	443	-64
Port Elizabeth	15 755	17 669	19 116	8
Other ports	1	963	1 504	56
GRAND TOTAL	**192 752**	**182 184**	**176 304**	**-3**

SPECIALISED REFRIGERATED VESSELS

The volume of cargo shipped via specialised refrigerated vessels was 8% lower than during the same period last year. However, this mode of transport remains above the three-year average for the reporting period. Ongoing challenges at container ports resulted in higher-than-expected volumes being redirected to specialised refrigerated vessels. Nonetheless, adverse weather conditions contributed to reduced volumes shipped to both the United States and Japan using this mode of transport.

The ageing nature of the specialised refrigerated vessel fleet is increasingly evident, as reflected in the rising number of vessel rejections. During the reporting period, one vessel designated for a special market was denied loading due to a malfunctioning temperature recording system - highlighting the growing operational risks associated with older vessels.

TOTAL VOLUMES SHIPPED ON SPECIALISED REFRIGERATED VESSELS (PALLETS)

Ports	2021/2022	2022/2023	2023/2024	2024/2025	2023/2024 vs 2024/2025 (%)
All South African ports	240 328	217 895	310 073	286 801	-8

COLD CHAIN EQUIPMENT INSPECTIONS

TOTAL CONTAINERS INSPECTED

Inspection Type	Total inspected	Total passed	Total rejected	Percentage rejected (%)	Reasons for rejections
Container Inspection: Cleanliness	159 186	131 538	27 648	17	Dirty taint, damaged panels, oxidation, wet
Container Inspection: Technical	94 849	94 768	81	0.1	
Grand Total	**254 035**	**226 306**	**27 729**	**11**	

TOTAL SPECIALISED REFRIGERATED VESSEL SURVEYS

Total inspected	Total passed	Total rejected	Percentage rejected (%)	Reasons for rejections
65	58	7	11	Faulty sensors, faulty calibration, dirty, structural damage, taint

TOTAL COLD STORAGE INSPECTED

Total inspected	Total passed	Total rejected	Percentage rejected (%)	Reasons for rejections
670	655	15	2	Faulty recorders, damaged panels

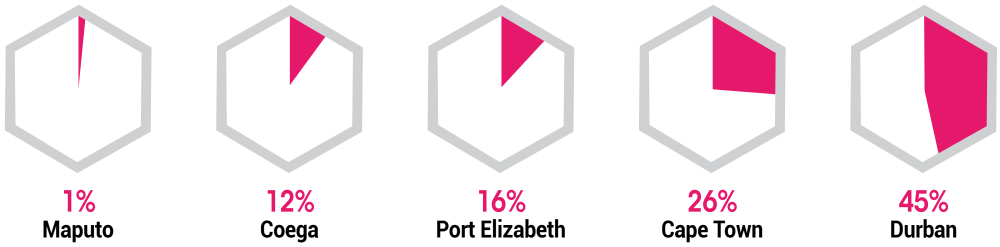
TOTAL REFRIGERATED ROAD MOTOR TRANSPORT (RRMT) INSPECTED

Total inspected	Total passed	Total rejected	Percentage rejected (%)	Reasons
795	777	18	3	Temperatures out of range, damaged panels, dirty

TOTAL CITRUS EXPORTS (PALLETS)

Load ports	2022/2023	2023/2024	2024/2025	2024/2025 vs 2023/2024 (%)
Cape Town	529 801	561 204	571 869	2
Coega	231 964	259 197	261 635	1
Durban	1 061 561	1 025 613	977 107	-5
Maputo	12 821	23 213	14 120	-39
Port Elizabeth	265 065	284 991	363 057	27
Other ports		3 567	12 022	237
GRAND TOTAL	**2 101 211**	**2 157 786**	**2 199 809**	**2**

PORT DISTRIBUTION



RESEARCH, DEVELOPMENT AND INNOVATION

March 2025 marked three years since the re-capacitation of the Research, Development and Innovation (RDI) unit by the PPECB. This period has been characterised by significant growth, notable achievements, and important lessons.

TRIALS CONDUCTED

The RDI unit conducted 15 trials during the 2024/2025 period, comprising both repeat trials from previous seasons and new initiatives. The trials spanned various fruit types, including table grapes, citrus, plums, blueberries and - for the first time - subtropical fruits such as litchis and mangoes. The primary focus remained on cold chain management within the export value chain, with a subset of trials assessing logistics efficiency from inland regions to the Port of Durban. Additionally, a new research stream was introduced to quantify food loss from farm to market and identify opportunities for waste reduction.

KEY RESEARCH FINDINGS AND RECOMMENDATIONS

CITRUS FRUIT
Repeat trials validated 2023 findings on cold chain management via Maputo Port and rail transport from Limpopo to Durban. One new trial was unsuccessful due to the diversion of fruit to an alternate market.

- **Rail Transport:** Demonstrated early cooling initiation and consistent cold chain maintenance, which contributed to improved fruit quality under extended storage. Ancillary benefits included cost savings, reduced port congestion, and improved road safety.
  - *Recommendation: Rail transport is a viable option for citrus fruit logistics.*

- **Maputo Port:** Enabled early cooling and maintained cold chain integrity. Challenges included cross-border logistics, cost parity with Durban, and regional political instability.
  - *Recommendation: Due to instability, no commercial recommendation is made despite operational advantages.*

TABLE GRAPES
Two trials monitored temperature during handling from the field to market. One was unsuccessful due to local market diversion.

- **Findings:** Identified delays between packing and cooling. Cooling temperatures reached -1.4 °C, posing a risk of chilling injury. Arrival quality showed stem desiccation.
  - *Recommendation: No commercial recommendation until further validation.*

PLUMS
A repeat trial assessed post-harvest handling and cooling efficiency.

- **Findings:** Efficient handling observed, with a four-hour cut-to-cool time. No temperature excursions were noted. Arrival quality was excellent.
  - *Recommendation: Emphasise immediate cooling post-harvest.*

BLUEBERRIES
Trials assessed a quality prediction model, modified atmosphere packaging, and cold chain efficiency via Maputo.

- **Prediction Model:** Showed potential, although most rejections were due to non-physiological issues.
  - *Recommendation: Broader testing to continue in 2025.*

- **Modified atmosphere packaging:** No adverse effects on cooling; fruit quality was well maintained.

- **Maputo Port:** Maintained cold chain integrity for precooled fruit.

MANGOES AND LITCHIS
Focused on quantifying food loss in the export value chain.

- **Litchis:** Field losses of 20% (sunburn, insect stings, poor colour), with an additional 30% loss at packhouse level. PPECB rejections added 2%. Air freighted to the USA, fruit arrived with minor defects from elevated pulp temperatures but remained commercially acceptable.
  - *Recommendation: Trial to be repeated in 2025.*

- **Mangoes:** Data pending finalisation. Preliminary losses due to oversize and sunburn.

COLLABORATIVE ENGAGEMENTS

- **Western Cape Agriculture Research Forum (WCARF):** Engaged with stakeholders, including Government, academia, and industry, to drive research in the Western Cape.

- **Fruit Industry Value Chain Round Table:** Participated in the technical working group coordinated by the Department of Agriculture (DoA). Contributed to finalising the terms of reference for collaborative research across the fruit sector.

KEY ACHIEVEMENTS

- **Peer-reviewed publication:** Published a climate change article in an international journal, validating the scientific credibility of the RDI unit's work;
- **Popular media feature:** Rail transport research featured in Farmer's Weekly magazine;
- **International conference presentation:** Presented food loss research at a conference hosted by Mangosuthu University of Technology and Florida A&M University; and
- **Launch of the PPECB Research and Innovation Journal:** Released the inaugural issue summarising 2022 and 2023 trials. Distributed to key stakeholders, with a biennial publication schedule established.

FOOD SAFETY PROGRAMME: CONTINUING TO IMPROVE COMPLIANCE

The Food Safety Programme is primarily responsible for ensuring compliance with Regulation R707, which governs the food hygiene and food safety of regulated agricultural food products of plant origin intended for export. This is commonly referred to as SAGAP (South African Good Agricultural Practice).

The PPECB Food Safety Auditors concluded 1 209 audits during the reporting period. The cumulative quarterly target of 1 050 was met and exceeded by 15%.

The Food Safety Programme continues to contribute to the transformation of smallholder farmers through its development programme. During the past financial year, 134 farmers were certified.

LABORATORY SERVICES

For the 2024/2025 financial year, the PPECB Laboratory Services (Laboratory) commenced implementation of the Board-approved expansion strategy. This strategy aims to increase capacity in the Pesticide Analytical Programme (PAP) and Mycotoxin Analytical Programme (MAP), review ageing equipment, and introduce a new Microbiology Analytical Programme (MiAP).

The performance of the Laboratory has continued to strengthen year on year. The Laboratory recorded its highest total income ever - 23% higher than the previous financial year. The income contribution from the different programmes increased as follows: MAP, Fats Analytical Programme (FAP), and Pesticides Analytical Programme (PAP) by 29%, 29% and 9% respectively while the Dairy Analytical Programme (DAP) declined by 6%. The total volumes analysed by the Laboratory increased by 16% compared to the previous financial year. Programme-specific changes were as follows: the MAP increased by 24%, FAP by 21%, PAP by 3% and the DAP declined by 5%.

The following were the performance highlights of the 2024/2025 financial year:

1. The Laboratory commenced implementation of the Board-approved expansion strategy and is currently on phase 4 of the process;
2. It has begun introducing the new Microbiology Analytical Programme (MiAP);
3. The Laboratory successfully underwent its SANAS ISO 17025 Surveillance Assessment for the new five-year accreditation cycle. Performance was rated excellent, and accreditation status was maintained;
4. Proficiency Testing with national and international schemes continued, achieving an average pass rate of 86% - an improvement from the previous financial year, despite an expanded scope and matrix coverage;
5. Capacity was increased through the procurement of additional instruments for the PAP and MAP programmes, enhancing both throughput and turnaround times;
6. Validation processes on different matrices and programmes continued; and
7. The extension of the Maximum Residue Limit (MRL) scope across multiple matrices progressed during the reporting period.

HARMONISATION PROGRAMME

The progress of the Harmonisation Programme for the 2024/2025 financial year is summarised as follows:

- **Six** Accelerated Skills Transfer Interventions (ASTI) were attended by 89 inspectors/assessors;
- **1 310** inspectors/assessors attended manual discussions;
- **325** completed various refresher "koffers";
- **811** inspectors/assessors wrote competency tests;
- **512** inspectors wrote the uniformity tests;
- **329** inspectors wrote the citrus black spot (CBS) tests; and
- **651** inspectors/assessors were evaluated and deemed competent.

The organisational performance indicators for harmonisation were met, and 94.7% of permanent operational employees were verified as technically competent, exceeding the target of 92%.

Significant focus was placed on the minor product competencies, with national activities being conducted across this portfolio. A total of 164 competency tests were completed, and 183 manual discussions were held. 125 inspectors were found competent for this competency cycle.

The cold chain harmonisation team conducted 101 manual discussions, and 286 competency tests were written. 238 competency evaluations were completed, with assessors deemed competent. The cold chain disciplines covered included:

- Normal container loading;
- Container inspections;
- Cold store inspections;
- Cold treatment container loading;
- Terminal monitoring;
- Container calibration;
- Specialised reefer cold treatment vessel survey and vessel loading; and
- Refrigerated road motor transport (RRMT).

A table grape refresher course was presented to the Namibian Agricultural Board (NAB), with 16 delegates attending and successfully completing a written competency examination. A one-day production training session on table grapes was conducted in Aussenkehr, attended by 30 Namibian packhouse representatives. The session was well received, with strong engagement, particularly on internal quality, clippings, pre-pack units, and dispensations. Cold chain aspects related to cross-border requirements with South African ports were also covered.

The Chief Harmonisation Specialist accompanied a South Korean delegation to various table grape farms, packhouses, and cold stores. Detailed explanations were provided regarding the inspection process, including both quality and phytosanitary protocols.

LOOKING AHEAD: OUTLOOK FOR 2025/2026 AND BEYOND

Focus areas for the next period include:

- Further embedding TITAN 2.0® in operations for all products;
- Increasing uptake of the electronic addendum and export certification on the TITAN 2.0® platform;
- Developing additional cold chain modules on the TITAN 2.0® platform;
- Continuing to introduce internal controls and strengthening processes for increased efficiencies;
- Increasing the employment of people with disabilities (PWD);
- Fostering a more customer-centric culture;
- Continuing to leverage technology to improve business processes and performance;
- Expanding operational resource capacity in readiness for potential changes in export requirements;
- Expanding the Laboratory's analytical programmes to improve financial sustainability;
- Building stronger collaborative partnerships to overcome logistical challenges;
- Expanding training initiatives for operational employees;
- Upskilling and reskilling administrative employees;
- Prioritising cost containment and control during the 2025/2026 financial year; and
- Increasing management presence in the field, with a stronger focus on management oversight initiatives.

TITAN 2.0®

CONTINUES TO EXPAND AND WILL BE FURTHER EMBEDDED IN OPERATIONS

HUMAN CAPITAL REPORT

It is with great pleasure that we present the Perishable Products Export Control Board (PPECB) Human Capital report for the financial year 2024/2025. The report highlights the key initiatives, achievements and challenges faced by the Human Capital department in supporting the organisation's strategic objectives.

The Human Capital department plays a strategic role in the organisation and ensures that its strategies are aligned with the business objectives. This is achieved by ensuring that the initiatives we drive support the organisation's mission, vision and goals. We offer guidance on human resources matters related to leadership, management and employees. Furthermore, the department facilitates the organisation's transformation initiatives.

KEY HIGHLIGHTS:

This report will cover the following key areas:

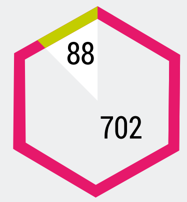
- Human Capital Operations;
- Learning and Development;
- Talent Management;
- Organisational Development; and
- Transformation.

PINKI LUWACA
Human Capital Executive
PPECB

OPERATIONS

EMPLOYEE STATISTICS:

The Human Capital department is proud to share employee statistics, experiences, achievements, challenges and trends, using 31 March 2025 as the reference point.



OVERALL HEADCOUNT:
790

The PPECB experienced a 2% increase in permanent employees (perms) while there has been an 11% decrease in temporary employees (temps).

EMPLOYEE MOVEMENTS:

28 NEW PERMANENT EMPLOYEES WERE HIRED

27 PERMANENT EMPLOYEES WERE PROMOTED

14 TEMPORARY EMPLOYEES WERE CONVERTED TO PERMANENT APPOINTMENTS.

18 PERMANENT EMPLOYEES RESIGNED ACCOUNTING FOR 5% OF EMPLOYEE TURNOVER

3% TURNOVER RATE

This is the rate at which employees left the PPECB in 2024/2025.

It is significantly lower than the average employee turnover rate in South Africa which is currently around 17%.

GLOBAL TALENT POOL **11 243**

This is the total number of candidates who joined the PPECB's talent community as a result of vacancies advertised during 2024/2025.

VIEW ONLINE

EMPLOYEE WELLBEING AND BENEFITS

INTEGRITY

18 ***proactive intervention sessions*** focusing on mental wellbeing took place. These included awareness, training and the provision of tools aimed at upholding integrity and equipping employees across the organisation with tips and techniques.

400 ***employees participated*** in or attended the mental health interventions held during this reporting period.

2 external partners provided specialised expertise, resources and cost-effective solutions relating to mental, social and financial matters.

10 employees per month made use of employee wellness services and the top three issues which employees were assisted with are mental wellbeing, legal and couple or family-related issues.

2 disability and critical illness claims were paid during this reporting period. This is a benefit that pays a lump sum amount when an employee is diagnosed with a critical illness.

COLLABORATION

27 ***employees accessed or made use of value-added benefits and tools*** such as financial planning, debt, credit and wealth management programmes, which are provided to employees in collaboration with one of our reputable financial partners.

253 ***employees made contact with the contracted financial advisors.***

HEALTH AND SAFETY

Nine employees got injured while on duty during this reporting period. They all received the necessary medical treatment and subsequently returned to work. No major incidents or fatalities occurred.

The Learning and Development team undertook a significant initiative to ensure that all newly appointed Health and Safety Representatives received the training required by legal and regulatory obligations.

Please see the table below for more details:

Course Name	No of Employees Trained
SHE Representative	27
First Aid	18
Fire Marshall	22
Legal Liability	38
COIDA	46
HIRA	24

LEARNING AND DEVELOPMENT

In 2024/2025, the Learning and Development (L&D) department prioritised the rollout of the new MyHC learning management module, with a focus on streamlining administrative processes and enriching the overall learner experience.

Employees and managers were trained on how to use the learning module and enabled to electronically submit their development needs, as well as applications for study assistance for academic qualifications.

A total of 534 employees received training during the reporting period, with 27 training courses procured. Key training initiatives included:

- 28 employees successfully completed the Leadership Development Programme (LDP) aimed at strengthening leadership capabilities and developing a pipeline of potential leadership talent for the PPECB;
- Assessor and Moderator training programmes were delivered at scale to equip relevant Operations employees with the competencies required to assess and moderate training evidence;
- Managers were enrolled on a two-day industrial relations (IR) intervention, and additional training in report-writing skills was also provided; and
- Extensive training was conducted to ensure the competency of Health and Safety Representatives (SHE Reps) and Firefighters. This included modules on Hazard Identification and Risk Assessment (HIRA) and the Compensation for Occupational Injuries and Diseases Act (COIDA).

An updated catalogue of e-learning courses was published to support flexible anytime-anywhere learning for employees. The catalogue spans a wide range of topics, from Contract Management and Change Management Fundamentals to the Plum Refresher Measurement and Grape Test. During the period, 400 employees completed catalogue courses.

In support of academic advancement, 23 employees were awarded study assistance to commence formal qualifications, while nine employees received continued support to pursue their studies. Additionally, six employees received AgriSETA bursaries.

The L&D department continued to provide workplace experience initiatives to unemployed graduates. Through the Agri Export Technologist Programme (AETP), 53 disadvantaged agricultural graduates gained practical exposure and training. Furthermore, nine unemployed graduates were placed in experiential learning opportunities within the Laboratory, Human Capital, and Project Management Office departments. Of these, four completed their placements, and two were subsequently absorbed on contract.

Training manuals, courses and plans were developed to provide training support to the ERP, TITAN 2.0® and MyHC project teams.

Notable achievements for the period included an improvement in the Skills Development rating, contributing to the PPECB's overall B-BBEE scorecard, as well as the initiation of the transition process to align the AETP's NQF qualification with the updated national quality framework.

TALENT MANAGEMENT

SUPERVISORY AND LEADERSHIP GROWTH OPPORTUNITIES

Awareness sessions were conducted with employees and managers on future career growth planning and how this will be reflected within the new MyHC system.

The Career Development, Talent Review, and Succession Planning modules were configured on MyHC. Training on these modules is scheduled to commence in April 2025.

In preparation for the annual 2025 Talent Reviews, Human Capital is finalising plans to implement the new MyHC-enabled talent review process set to launch in May 2025.

Initiatives implemented during the reporting period include:

- A total of 18 employees were selected to participate in the Operations Supervisory Talent Development programme (Acting Lead Assessors and Chief Inspectors). Delegates receive customised development plans and on-the-job learning experiences during these acting opportunities;
- 28 employees were enrolled in the current intake of the Leadership Development Programme (LDP) NQF Level 4 and NQF Level 5. Learners receive personal developmental feedback and individual coaching as part of this programme;
- A renewed training subscription was secured for the ICT department to support career growth and aid the retention of project-based employees with specialised skills; and
- Six custom Talent Development and Retention opportunities for critical competencies were implemented to address critical skill needs across the organisation. These initiatives offer selected employees structured exposure to business-critical competencies through shadowing, mentoring, and participation in management and stakeholder meetings, thereby supporting meaningful professional growth and organisational knowledge transfer.

The outcomes and insights gained from these programmes will feed into the 2025 Talent Review forums, leveraging the full functionality of the newly implemented MyHC Talent Management modules.

ORGANISATIONAL DEVELOPMENT

DIGITAL TRANSFORMATION, CULTURE AND ENGAGEMENT

Our digital transformation journey continued with the implementation of the Human Capital Management System (HCMS), branded as MyHC, which was launched in August 2024. This successful launch was achieved through a sustained change management approach, comprising regular communication and training sessions with employees across the country. In addition, we continued with the engagement of employees through our People Connect and On the Couch platforms, which served as forums for knowledge sharing on a range of topics including business strategy, financial and personal wellness, policy awareness, cybersecurity and project updates.

The continuous monitoring of the pulse of our culture revealed a growing need for team alignment and enhanced leadership support. Internal coaching initiatives resulted in significant shifts in morale and leadership - particularly in offices affected by recent whistleblowing disclosures. It also led to the design of the Courageous Leadership journey, scheduled for rollout in the new financial year.

EMPLOYMENT EQUITY

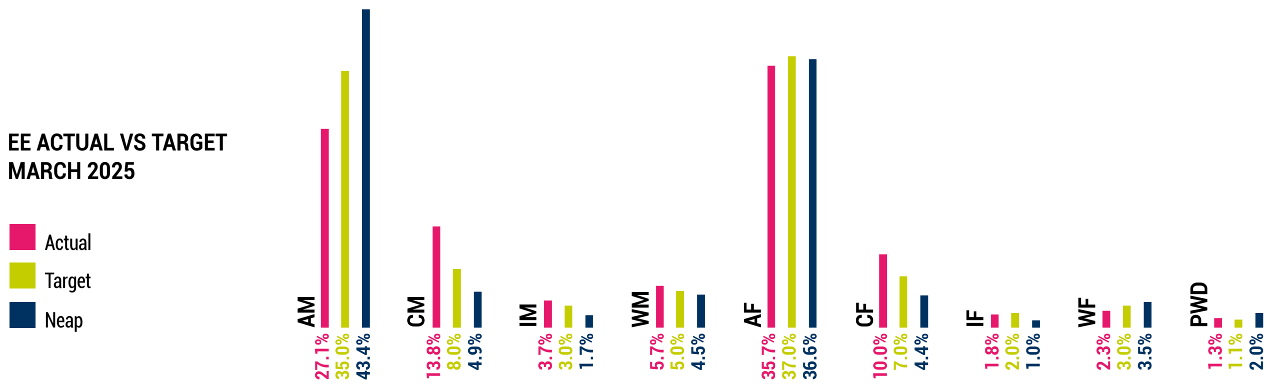
PPECB ALL: ACTUAL 31 MARCH 2025

	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	Total
Top management	0	1	0	0	0	0	0	0	0	0	1
Senior management	0	1	0	1	1	1	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management	9	5	3	5	3	5	2	5	0	0	37
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	135	50	8	35	141	25	5	7	0	0	406
Semi-skilled and discretionary decision making	57	38	17	2	80	31	6	5	0	0	236
Unskilled and defined decision making	0	0	0	0	12	6	0	0	0	0	18
TOTAL PERMANENT	**201**	**95**	**28**	**43**	**237**	**68**	**13**	**17**	**0**	**0**	**702**
Temporary employees	13	14	1	2	45	11	1	1	0	0	88
GRAND TOTAL	**214**	**109**	**29**	**45**	**282**	**79**	**14**	**18**	**0**	**0**	**790**

The achievement of workforce targets at the PPECB is impacted by the seasonal nature of operations, which necessitates the use of a temporary workforce. The overall African representation remained consistent at 63%, with a near-equal gender distribution of 50.3% male to 49.7% female.

A key area for improvement remains the increased representation of African males, which will be addressed through targeted recruitment and promotional opportunities. Similarly, advancing African females at the professional level remains a strategic priority. The PPECB ran a third year of the Women in Leadership Programme, with six women graduating, thereby expanding the pipeline of female talent ready for Skilled and Professionally Qualified leadership roles. In addition, five women from previous cohorts took up mentor roles and undertook mentor training. Notably, for the first time, a male volunteered to be a mentor and also participated in training.

Impact: Since the programme's inception, over 50% of delegates have been promoted or appointed to more senior acting roles.



PEOPLE WITH DISABILITIES (PWD): ACTUAL 31 MARCH 2025

	Male				Female				Foreign nationals		
Occupational levels	A	C	I	W	A	C	I	W	Male	Female	Total
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	1	0	0	0	1	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	0	1	0	1	0	0	0	0	0	3
Semi-skilled and discretionary decision-making	1	0	0	0	2	0	0	0	0	0	3
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	**2**	**1**	**1**	**0**	**3**	**1**	**0**	**0**	**0**	**0**	**8**
Temporary employees	0	0	0	0	1	0	0	0	0	0	1
TOTAL	**2**	**1**	**1**	**0**	**4**	**1**	**0**	**0**	**0**	**0**	**9**

The people with disabilities (PWD) representation of the total workforce is 1.1%, which meets the PPECB target of 1.1% and is short by seven for the NEAP target of 2%. The PPECB continued with the PWD graduate programme for the year with a smaller intake of graduates in administrative roles and has offered further contracts to three of the previous cohorts. The graduate programme focuses on work experience rather than a qualification, as workplace experience contributes to better employment opportunities for the participants.

TRANSFORMATION

The PPECB's transformation strategy focuses on building lasting partnerships with organisations that are driving meaningful change in the industry.

SMALLHOLDER FARMER DEVELOPMENT
Smallholder farmers or producers are defined as producers who produce at primary, secondary, and tertiary levels for household consumption and markets. Therefore, farming is consciously undertaken to meet the needs of households and derive a source of income.

Typically, these are emerging producers with an annual turnover of up to R5 million, aspiring to scale from subsistence to commercial farming.

The PPECB's Smallholder Farmer Development Programme is dedicated to training and upskilling smallholder farmers from designated groups to support their transition from subsistence to commercial farming.

MARKET READINESS PROGRAMME
In collaboration with all provinces, the PPECB supports market readiness for smallholder farmers through South African Good Agricultural Practices (SAGAP) training and certification.

* SAGAP training workshops for 839 smallholder farmers have been conducted year to date. The annual target was surpassed due to provinces expanding their programmes and an increase in demand for certification from the market; and
* 134 producers of raisins, rooibos, vegetables, nuts and fruit were certified for export.

THE AGRI ACADEMY TRAINING PROGRAMME
The PPECB implemented training for three new cohorts of Black youth, men and women in the Eastern Cape, Gauteng and Mpumalanga provinces. Delivered under the Agri Academy, this three-year market access programme empowers 60 delegates to develop comprehensive business plans and receive coaching toward successful implementation. The participant farmers were selected in conjunction with input from the provincial departments of agriculture.

CORPORATE SOCIAL INVESTMENT

The PPECB continues to invest in Corporate Social Investment (CSI) initiatives that aim to uplift communities and support societal wellbeing.

These initiatives extend beyond the organisation's core operations and are not profit-driven. They represent a commitment to contributing meaningfully - both financially and in kind - to initiatives that improve the lives of South Africans.

Partnership - Social Enterprise Development/CSI	Call 2 Care	Soil for Life	Reel Life	Recruit Agri
What they do	Provides education in communities at the grassroots level in waterwise gardening, food security and improved nutrition.	Encourages local home food growing, natural food growing methods and training methodologies to achieve food security.	Provides sustainable and scalable solutions to food, nutrition and economic inclusion challenges in South African communities and households.	Encourages entrepreneurship and empowers graduates in agriculture through an internship programme that improves employment opportunities. The programme covers five provinces, with the largest intake in the North. Products covered include avocado, macadamia nuts, kiwi fruit, berries and citrus.
Spend at March 2025	R216 776.87	R252 075.20	R470 924.64	R157 470.00
Beneficiaries	17 people trained and 30 direct beneficiaries - one community	40 people trained and 1 683 direct beneficiaries - four rural communities	248 learners trained, 200 households, two subsistence farmers and 450 direct beneficiaries - two rural communities	Training for 15 graduates
Impact	*Establishment of a food garden and youth training in food gardening and waste management training.* Diepsloot Combined School community garden (youth and vulnerable families)	*Establishment of a food garden and youth training in food gardening.* Wes-Eind Primary School and Dalubuhle Primary School, Franschhoek (youth) Struisbaai Skills Centre & Agulhas School of Skills (youth)	*Establishment of household food gardens and training of rural women in food gardening.* Kromdraai Community, Krugersdorp (youth, vulnerable families and women) Dikhudu Primary School and Lefoko Primary School, Zeerust (youth)	*Training for processing graduates in practical on-farm production, packhouses and agro-processing.* Subtrop processing programme - Mpumalanga (youth)

THE ROAD AHEAD

The Human Capital department remains committed to advancing the PPECB people agenda, ensuring that the organisation's strategic goals and objectives are fully supported through a capable, engaged and empowered workforce.

Our focus will continue to centre on a high-performance culture, deepening employee engagement and developing and growing the next generation of leaders. We will also maintain our momentum in driving transformation, with particular emphasis on youth development and the empowerment of women.

INFORMATION AND COMMUNICATIONS TECHNOLOGY REPORT

In September 2024, Bridgette Daries joined the Perishable Products Export Control Board (PPECB) as the Chief Information Officer (CIO), where she and her leadership team assessed the PPECB's Information and Communications Technology (ICT) Strategy.

It was evident that the 2024/2025 financial year marked a significant year in the PPECB's digital transformation journey, which commenced five years ago. The journey required significant time, financial investment and change management while maintaining customer service and service delivery.

Following several engagements with the Board, the Executive Committee, internal and external stakeholders, the ICT strategy was refreshed to reflect the following:

- Enhance customer service and service delivery;
- Accelerate the delivery of high-value business-enabling projects;
- Create collaborative business relationships;
- Optimise business processes; and
- Ensure we achieve a return on our ICT investment.

We are pleased to report that the ERP system, which went live in the previous financial year, has now stabilised and transitioned to a business-as-usual operating model, supported by the ICT department. Critical system functionality within our value chain continues to be delivered via our TITAN 2.0® platform, a key enabler along the export value chain.

Significant progress has also been made in the integration of our systems, including our Master Data System (MDS). This has led to improved data quality and availability, with information being delivered to customers and partners in a timely manner via multiple platforms, including our INTELLEX online reporting platform.

Collaboration and integration with external stakeholders have also been crucial, contributing to further digitalisation of the agricultural industry. These efforts have enhanced processes, increased efficiencies and provided business insights across the value chain.

The delivery of these strategic ICT deliverables - including maintaining our infrastructure and development environments on the latest technology - ensures that the ICT department is delivering on the PPECB's vision of being a customer-centric regulator and enabler. This is underpinned by the availability of the right skills and talent within our operating model, which is supported by reliable partners and governed by stringent security measures and cost controls.

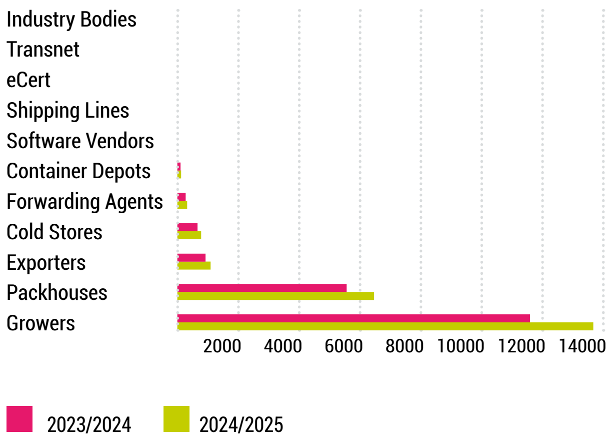
BRIDGETTE DARIES
Chief Information Officer
PPECB

ENABLING THE VALUE CHAIN

STAKEHOLDER ENGAGEMENT

For the PPECB, integration extends beyond internal matters - it is a collaborative effort with a wide network of external stakeholders that play a crucial role in supporting the industry. To this end, we have facilitated several engagement sessions through various channels with key industry players, including growers, packhouses, exporters, cold stores, container depots, port authorities and several software vendors. These engagements are central to our mission of aligning efforts across the value chain to drive digital transformation in the agri export sector. By fostering stronger partnerships and synchronised operations, we aim to enhance business efficiency, eliminate bottlenecks, and leverage data-driven insights that support more informed decision-making and streamlined processes across the sector. As illustrated in the chart below, the PPECB's stakeholder universe has increased by 18% compared to the previous financial year.

STAKEHOLDER UNIVERSE - INCREASE YEAR ON YEAR



The diagram below depicts the year-on-year percentage improvements in the digitisation of each of the PPECB's core processes. Notable increases include a 1% rise in Product Inspection, a 46% increase in Product Re-inspection, a 6% increase in Electronic Export Certificates, an impressive 87% increase in Export Notification and a 60% increase in Container Inspection.

Gross Product Inspection
1% INCREASE

Product Re-Inspection
46% INCREASE

Electronic Export Certificates
6% INCREASE

Export Notification
87% INCREASE

Container Inspection
60% INCREASE

These increases translate into direct benefits for both the PPECB and the broader agri export industry. By reducing manual processes, they enhance data quality, lower operational costs, minimise errors, and accelerate access to and sharing of data.

TITAN 2.0®

TITAN 2.0® is our mobile technology application designed to eliminate all manual processes, improve access to real-time information, reduce paper, promote a collaborative supply chain and enhance regulatory compliance during inspections. With the product inspection module now at a mature stage, the programme has progressed with the development of the cold chain modules. This includes the full implementation of cold chain container inspection services, covering end-to-end processes such as pre-trip inspections, dual inspections and calibration for refrigerated containers within the mobile application framework. From here, it integrates with TITAN Web, TITAN Application Programming Interface (API) and TITAN Mobile, enabling cold chain operations to move into the digital platform.

In the previous financial year, the container loading module, including the loading and vessel loading mobile applications, was deployed, with further functionality scheduled for release early in the new financial year.

The Electronic Consignment Report has also been digitised, ensuring that the PPECB maintains full control over the information generated on the document and that the inspectors electronically stamp and sign the consignment note and are able, with appropriate role-based access, to view and download electronic consignments.

The integration of TITAN 2.0® into the DoA's Tracking Unit Manager (TUM) version 3 was also completed.

The rewrite and release of the TITAN 2.0® authorisation method, namely Organisational Linking, provides functionality for financial transaction amendments across the various TITAN 2.0® modules. This functionality is currently under development, with phased releases planned for the new financial year.

While the ongoing focus is on adding other modules to TITAN 2.0®, the continued stability, resilience, scalability, security, and integrity of the TITAN 2.0® systems remain fundamental.

To support this, framework upgrades have been implemented for the APIs and mobile applications, with Web upgrades scheduled to go live in the first quarter. Single Sign-On (SSO) and Multi-Factor Authentication (MFA) have been implemented on the mobile applications, and the same security measures are planned for TITAN 2.0® Web in the first quarter.

In addition, TITAN 2.0® has commissioned Azure B2C instance to centralise system authentication for PPECB customers. This enables users to access all client-facing systems - such as TITAN 2.0®, ERP Customer Portal, and INTELLEX - using the same User ID and password, thus improving the customer experience.

MICROSOFT DYNAMICS 365 (D365)

In 2024, the PPECB implemented Microsoft Dynamics 365 (D365) as a replacement for its legacy Enterprise Resource Planning (ERP) system, along with D365's Customer Relationship Management (CRM) module known as Customer Engagement (CE).

During the last financial year, the focus was on automating the billing process for TITAN 2.0® to minimise delays between services being rendered and invoices being issued. Several enhancements were also made to the invoice and statement layouts based on customer feedback. Where manual capturing is still required, the capturing screens were streamlined to simplify the process for administrative users in Operations, thereby reducing errors and speeding up capturing times.

The ERP is continuously updated in line with Microsoft's upgrade schedule. To minimise risk, the PPECB remains one version behind the latest release, allowing time for any bugs or issues to be resolved before implementation. By implementing updates regularly, the PPECB ensures access to ongoing improvements and enhancements made by Microsoft to the D365 platform.

BUSINESS INTELLIGENCE

The PPECB's Data and Analytics team embraces the digital journey by adopting innovative tools and delivering timely and relevant data through the INTELLEX platform. For more than a quarter of our stakeholders, the delivery of data and analytics has been converted from a weekly to a daily delivery; this enables stakeholders to access updated data securely, view reports and download data as required. This electronic and automated delivery model ensures faster turnaround times and reduces reliance on manual intervention.

Significant technological improvements have been made in data sourcing, to facilitate more timely data availability. The PPECB has invested in advanced data integration tools, allowing access to information from different applications across the organisational landscape.

Data quality is taken seriously. Established data governance forums help identify and manage anomalies, with data role players taking ownership to ensure the Master Data is well-defined, centrally maintained and accessible to all subscribing applications. The consistent application of Master Data across systems is showing positive results for both internal and external reporting.

The Data and Analytics team is staying updated with future concepts and new technologies. An Artificial Intelligence (AI) Request for Information (RFI) process has highlighted the possibilities of AI and Robotic Process Automation (RPA), revealing exciting opportunities for improving data availability and generating deeper insights for the PPECB. In collaboration with Microsoft and other partners, the PPECB has worked with graduates skilled in AI and Data Science to further explore these possibilities.

Throughout the reporting period, the Data and Analytics team has worked closely with stakeholders to facilitate their digital journeys - providing insights to aid seasonal planning, assess port congestion, evaluate the impact of adverse weather, and navigate geopolitical and trade-related challenges affecting global trends.

STRONG FUNDAMENTALS

The enablement of the value chain, as described above, is made possible by the robust ICT foundations the PPECB has established and continues to strengthen.

GOVERNANCE
The PPECB's ICT is governed by the PPECB Board, which oversees all strategic ICT matters. Internally, a Strategic Projects Steering Committee - comprising members of the Executive Committee (EXCO) - meets regularly to provide oversight and governance on strategic projects, ensuring alignment with strategic goals. The strategic portfolio for the 2024/2025 financial year included significant enhancements to D365, new TITAN 2.0® functionality, and the major implementation of Oracle's Human Capital Management solution (Oracle Fusion). The following modules went live in August 2024: Recruitment, Leave Management, Absence, HR Help Desk and Learning.

RISK
A well-established Risk Committee manages risk across the PPECB, with the Chairperson rotating regularly. In the last financial year, ICT chaired the committee with Cybersecurity as a permanent member. An emerging risk - and opportunity, namely Artificial Intelligence (AI), has been added to the risk register and is being addressed. Cybersecurity remains a top risk for the PPECB and continues to receive ongoing investment in both technology and skilled resources.

COMPLIANCE
To ensure the integrity and security of the PPECB's information and technology, the ICT department continues to leverage best practices from several leading local and global standards for information and system security management. As a result, the organisation reported no significant audit findings or cybersecurity incidents in the last financial year.

Key initiatives during the year included implementing several cybersecurity tools and technologies, deploying several new policies, and two successful disaster recovery (DR) tests. A Business Impact Assessment study was completed, and updates to the Business Continuity Plans (BCP) are underway. Our upgrade to Windows 11 for end-user computing is progressing well, with plans to upgrade server operating systems scheduled for the new financial year.

INFRASTRUCTURE
Over the past financial year, the PPECB continued its cloud adoption journey, improving uptime and availability for key applications such as TITAN 2.0®. The ICT department also supported infrastructure needs related to the opening and expansion of the PPECB offices, such as our laboratory in Centurion, Pretoria. The focus remains on the reliability and optimisation of our telecommunications network, ensuring reliable access at various locations for our large mobile workforce of inspectorates.

SERVICE DELIVERY
During the 2024/2025 financial year, several strategic outsourcing agreements for infrastructure and service delivery were successfully renewed. This has contributed to enhanced system reliability, reduced incidents, improved availability and sustained adherence to internal Service Level Agreements (SLAs), all of which support the consistent delivery of reliable inspection services to our customers.

COST MANAGEMENT
The ICT department continues to monitor and control technology spend effectively, proactively identifying opportunities for cost savings and cost avoidance. Licence fees and printing costs have been reduced, partially offsetting increased storage costs.

Additionally, the ICT department has partnered with the Business Process Optimisation division in the Operations department to map end-to-end business processes. This initiative seeks to identify efficiency opportunities and optimise the way we do business, reduce manual processes, leverage existing ICT investments, and ultimately lower operational costs.

Improvements have also been made in the timely delivery of departmental cost insights supported by automation and enhanced data visibility, reducing the manual effort previously required.

LOOKING AHEAD

Looking at the year ahead, several exciting initiatives are planned as part of our customer journey:

- D365 Customer Engagement: A new customer portal will be introduced to facilitate the customer registration process as required by the PPEC Regulations published in January 2025. Additional functionality will be phased in for customers to log online queries and view their invoices and statements online;
- TITAN 2.0®: Continued development and deployment of fully digitised Export Certificates, Container Loading, Non-TITAN products, Organisational Linking, Transnet integration, Vessel Loading and Internal Amendments;
- Laboratory Expansion Support: ICT will partner with the PPECB Laboratory to ensure that the technology is upgraded and supports the strategic expansion goals; and
- Oracle Fusion Human Capital Management: implementation of additional modules - including Talent Management, Performance Management, Health and Safety and Work Life Solutions - will go live for end users in May 2025.

We are also advancing our employee journey with the implementation of these Oracle Fusion modules to support workforce development and wellbeing.

The Data and Analytics team is continuing the journey to convert manual data delivery into automated delivery on the available digital platforms. Further exploration regarding AI and Robotic Process Automation (RPA) is underway to improve the availability and quality of the data for reporting. Data science capabilities will be employed in specific use cases to demonstrate their value and improve insights.

In terms of our infrastructure, cybersecurity, and application development environment, we will be managing several new and existing contracts and launching several tenders for new or enhanced services. We will also be supporting our Operations department as several new sites are being opened and need to be operationalised. Extensive support is being provided to ensure that we are fully prepared to streamline processes to speedily ramp up during peak periods, such as citrus season.

We are excited to be taking over the management of the Project Management Office (PMO) for the PPECB. This will enable us to provide a framework that aligns projects with strategy and ensures their execution is in accordance with sound project management principles, thereby delivering the intended business value.

We will continue to partner with the Business Process Optimisation division to identify opportunities for process improvement across the value chain. This will ensure that we leverage technology to drive business efficiencies and support the following PPECB business objectives:

- Further improve the customer experience;
- Provide relevant and timeous information;
- Promote continuous improvement through transformation, innovation and digitalisation; and
- Improve business efficiencies to ensure effective service delivery and to contain costs.

VIEW ONLINE

CHIEF FINANCIAL OFFICER'S REPORT

It is my privilege to present the financial overview of the Perishable Products Export Control Board (PPECB) for the financial year ended 31 March 2025. This year has been a period of substantial challenges and strategic digital transformation. Despite incurring a financial deficit, I am pleased to report that we maintained the highest standards of financial integrity, as evidenced by the clean audit opinion issued by our external auditors.

The agricultural sector continues to face volatility due to fluctuating commodity prices, unpredictable weather patterns, and rising input costs. These factors impacted the final financial result, however, our commitment to sound financial management and operational efficiency has enabled us to navigate these headwinds while laying a strong foundation for sustainable growth.

The financial performance statement reflects strategic investments in technology and infrastructure, aimed at enhancing efficiencies and long-term resilience. We believe these initiatives will position the PPECB to capitalise on emerging opportunities and deliver value to our stakeholders in the years ahead.

The clean audit report underscores our dedication to transparency, accountability, and compliance with all regulatory requirements. We remain committed to upholding these principles as we continue to improve our financial performance and operational effectiveness.

In response to the lower revenue generated, we implemented strict cost containment measures to manage expenditure prudently. By carefully prioritising essential spending and optimising efficiencies, we were able to limit expenses and mitigate the impact of reduced revenues on our overall financial position. This disciplined approach to expenditure is critical in preserving cash flow and maintaining financial stability during challenging periods. Moving forward, we will continue to balance cost control with strategic investments to sustainable growth.

Despite the deficit incurred, we are encouraged by the improvement in our cash position, reflecting stronger liquidity management. This positive outcome was driven by a concerted effort to reduce outstanding receivables and payables, enhancing our working capital efficiency. By tightening credit controls and accelerating collections, we successfully lowered receivables, which improved cash inflows. Simultaneously, prudent management of payables ensured timely payments without compromising supplier relationships, contributing to a healthier cash conversion cycle.

These measures have strengthened our financial flexibility, enabling us to better support ongoing operations and strategic investments. We remain focused on maintaining disciplined working capital management as a key pillar of our financial strategy moving forward.

Looking forward, we will focus on optimising our cost structure, creating further efficiencies and leveraging innovation to drive success.

I would like to thank the PPECB Board for their unwavering support and trust. To each employee who acts with integrity and with compliance to policy and legislation, thank you. To the dedicated finance team, together, we will continue to work towards a sustainable and prosperous future for the PPECB and the stakeholders we serve.

Financial Performance

	2025 R'000	2024 R'000	Index %	B2025 R'000
Income	**633,694**	**627,917**	**101%**	**703,766**
Total Expenditure	**652,960**	**629,515**	**104%**	**739,677**
Employee compensation and benefits	459,088	440,687	104%	481,861
Operating expenses	193,872	188,828	103%	257,815
Deficit	**-19,266**	**-1,598**		**-35,910**

Financial Position

	2025 R'000	2024 R'000	Index %
Current Assets	196,171	230,309	85%
Non-current assets	48,006	50,188	96%
Current liabilities	64,544	76,732	84%
Reserves	**179,632**	**203,764**	**88%**

LUCIEN JANSEN
Acting Chief Financial Officer
PPECB

VIEW ONLINE

AUDIT COMMITTEE REPORT

As the Chairperson of the Audit Committee, I am pleased to present the report for the financial year ended 31 March 2025. This report is presented in compliance with the relevant sections of the Public Finance Management Act 1 of 1999 (PFMA), Treasury Regulations and is aligned with best practices as outlined in the King IV Report on Corporate Governance.

This report provides an overview of the committee's activities, key financial considerations, and the effectiveness of our financial controls and reporting systems. Our primary objective is to ensure transparency, accuracy, and compliance in our financial operations. This report highlights our efforts in maintaining robust financial governance and safeguarding the interests of all stakeholders.

1. ROLE OF THE AUDIT COMMITTEE:

The Audit Committee operates under a formally adopted charter, and its responsibilities include:

- Evaluating the effectiveness of internal control and risk management;
- Reviewing financial and performance reporting;
- Ensuring compliance with legislation and regulatory frameworks;
- Overseeing the work of internal and external auditors; and
- Recommending the approval of the Annual Financial Statements and Performance Reports.

The Committee believes it has effectively discharged its duties during the period under review.

The Audit Committee is provided with sufficient resources to perform its duties, including support, when necessary, from the internal and external auditors, legal and corporate governance specialists and Executive Management. The Committee's role includes examining all matters relating to the PPECB's accounting principles, policies and practices, as used to review all material financial, operational and compliance controls for the prevention of fraud.

The Audit Committee is formally appointed and comprises six non-executive Board members, who provide a diverse range of competent perspectives based on their expertise and experience. An understanding of how management develops essential internal controls, applies effective accounting policies and presents important financial and risk management systems is a primary responsibility of the Audit Committee. Additional responsibilities include being well-informed with accounting principles, industry knowledge and the assessment of the completeness and accuracy of reports, which are jointly evaluated by the committee members.

The members are independent and are not involved in the day-to-day management of the PPECB. The Audit Committee members serve for a period of three years, and the committee chairperson is appointed by the Chairperson of the PPECB Board.

During the period under review, the appointed committee was:

- Ms M Kotze - Independent non-executive Board member: Chairperson
- Mr I Beukes - Independent non-executive Board member
- Mr B Mavume - Independent non-executive Board member
- Dr C Nkuna - Independent non-executive Board member
- Mr N Rambau - Independent non-executive Board member
- Mr M Brinkhuis - Independent non-executive Board member (Vice-Chairperson of the Board)

2. AUDIT COMMITTEE'S STATEMENT OF RESPONSIBILITY AND MANDATE

The Audit Committee's primary function is to assist the PPECB Board in fulfilling its oversight responsibilities in matters related to safeguarding of assets, financial reporting, internal auditing, compliance with applicable legal requirements and accounting standards, effective risk management and sound internal control systems.

The Committee operates independently of management and has a rolling agenda, which ensures full oversight of all matters within its delegated mandate.

The roles and responsibilities of the Audit Committee, as set out in the Audit Committee Charter, are reviewed and approved annually, with consideration given to the relevant regulatory changes and recommended best practices. The Charter, compliant with section 51(1)(a)(ii) of the PFMA and Treasury Regulation 27.1, directs the Committee in terms of its objectives, authority, and responsibilities, both statutory and those assigned by the Board.

The Audit Committee keeps the PPECB Board informed of its activities and recommendations after each committee meeting. Matters of interest and concern are promptly reported to the PPECB Board, where action or improvement is required regarding any aspect of financial reporting, risk management, internal control, compliance, or audit-related activities. The Audit Committee recognises the importance of the oversight role required on matters such as internal controls, financial sustainability, integrated reporting, and the maintenance of corporate governance standards.

VIEW ONLINE

ACTIVITIES

During the financial period under review, the Audit Committee received comprehensive reports from management, internal auditors and the external auditors. These related to various aspects of the financial sector, as well as business risk, which includes compliance, management controls, accounting policies and practices, audit plans and financial reporting. We noted an improvement in the content and quality of reports prepared and submitted by management.

Reports related to internal audits conducted by the in-house and outsourced internal auditors are reviewed quarterly, and management's responses and conclusions to the various audit findings are reviewed and measured for appropriateness. We are satisfied with the content and quality of the quarterly reports prepared and issued by the internal auditors during the year under review.

Engagement with management was conducted in a robust and transparent manner where discussions were held on the progress of key issues related to financial reports, internal controls and financial risk exposure. Sufficient time was spent confirming that all information provided was balanced, understandable and provided the necessary information for the Board to assess the PPECB's position and performance, objectives and strategy. All reports are critically assessed for consistency, and all business and regulatory requirements are met.

The following key activities were performed:

REPORTING

- Considered the integrity of the quarterly financial statements
- Reviewed accounting policies and practices, including compliance with accounting and reporting standards
- Reviewed management's assessment of going concern and longer-term viability
- Reviewed the internal controls in relation to financial reporting
- Advised the PPECB Board of the Committee's assessment of the financial statements
- Confirmed the fairness, comprehensibility, and completeness of the statements and that they provide the necessary information for decision making

RISK MANAGEMENT AND INTERNAL CONTROL

- Monitored the effectiveness of the PPECB's risk management and internal control system, with a specific focus on ICT risks
- Assessed management's response to significant audit findings and recommendations
- Evaluated the quality, efficiency and effectiveness of the internal audit function
- Assessed the performance of the internal and external auditors and the Chief Financial Officer
- Discussed significant matters arising from the internal audit
- Considered and noted compliance with applicable external legal and regulatory requirements
- Monitored the expertise and resources of Nexia SAB&T to perform their duties effectively

EXTERNAL AUDITORS

- Assessed the independence and objectivity of PKF Cape Town
- Reviewed and approved the engagement letter for PKF Cape Town's annual audit
- Considered the annual external audit plan and monitored the execution and results of the audit
- Monitored the expertise and resources of PKF Cape Town to perform their duties effectively

COMPLIANCE AND GOVERNANCE

- Performed its statutory duties as prescribed in the Act and by the PPECB Board
- Reviewed the Audit Committee charter
- Considered progress in respect of the Fraud Plan
- Monitored compliance with applicable laws, regulations and accounting standards

EXTERNAL AUDIT

The Audit Committee's role includes determining the independence and effectiveness of the external auditors. The objectivity and independence of PKF Cape Town was evaluated, combined with the quality and effectiveness of the external audit process. The following criteria were included in the evaluation:

- Reputation of the external audit firm;
- Independence, objectivity and professional scepticism;
- Audit quality priorities;
- Constructive responses to management and key judgements;
- Efficiency of service delivery in the audit process; and
- Compliance with all relevant legislation and regulations.

Furthermore, consideration was given to the Audit Committee's own experience with the external auditors during their interactions throughout the year. In view of the above, the Audit Committee was satisfied that PKF Cape Town provided a high-quality and effective audit, as well as maintained its independence and objectivity.

The Audit Committee considered the external audit fee appropriate for the financial year ended 31 March 2025. The external auditors did not provide non-audit services during the period under review.

A meeting held with the external auditors, without management present, satisfied the Audit Committee that there are no matters of concern. The Audit Committee was satisfied with the audit conducted by PKF Cape Town and thanked them for the professional services rendered to the PPECB over the year they served as external auditors.

INTERNAL AUDIT

The internal audit function is an independent and objective assurance function. This function supports the PPECB in maintaining a systematic and disciplined approach to improving its overall control framework, evaluating and improving PPECB's risk management, compliance and governance practices.

The PPECB has an in-house internal audit division, which is enhanced by a co-sourced internal audit model to ensure optimal efficiency of this function. Nexia SAB&T was appointed as the internal audit co-sourced department, whose annual audit plan was guided by the PPECB's risk register, as well as previous internal and external audit reports. The primary role of the internal audit function, through its assurance and enquiry activities, is to safeguard value by protecting the PPECB's assets, reputation and sustainability in relation to its goals and strategic objectives.

The responsibility and scope of the audit function is approved annually by the Audit Committee. The internal audit function reports functionally to the Chairperson of the Audit Committee and administratively to the Chief Financial Officer. Official meetings are held with internal audit throughout the year to confirm that the function is executed effectively and objectively.

The Audit Committee was satisfied with the content and quality of the quarterly reports prepared and issued by the internal auditors of the PPECB. The Board also considered the suitability of Nexia SAB&T as the PPECB's auditors and their availability of capacity to monitor and guide management and the Board on ICT risks. In line with the PFMA and the King IV Report on Corporate Governance requirements (King IV), internal audit provides the Audit Committee and management with assurance that the PPECB's internal controls are appropriate and effective. This was achieved by means of a risk management process, as well as the identification of corrective actions and opportunities for improvement to the controls and processes.

Based on assurance obtained throughout the year, the Audit Committee confirmed that the system of internal control employed by the PPECB for financial and risk management was considered effective, efficient and transparent.

COMBINED ASSURANCE AND RISK MANAGEMENT

The Audit Committee was satisfied that the entity has optimised the assurance coverage obtained from management, as well as internal and external assurance providers, in accordance with an appropriate combined assurance model.

A complete assessment of the risk management function and framework was performed regularly to confirm the effectiveness of the risk management and internal control systems. Furthermore, regular monitoring of the effectiveness of procedures for internal control over financial reporting, compliance and operational matters was conducted.

WHISTLEBLOWING

All whistleblowing reports are reviewed by the Audit Committee. The Audit Committee considered the independent investigations undertaken by management, as well as the various findings, follow-up actions and conclusions of such reports, and confirmed all measures were appropriate.

PERFORMANCE MANAGEMENT

The Audit Committee reviewed the in-year performance reports and results reported by management and considered them appropriate. The process of planning, identifying, monitoring and reporting the predetermined organisational objectives was deemed satisfactory. The relevance and measurement of the indicators and that of the performance reports are compliant with the PFMA, Treasury Regulations, Instructions and Guidelines and any other related regulatory requirements for reporting on organisational performance.

IN-YEAR MANAGEMENT AND QUARTERLY REPORTING

As required, the PPECB submitted quarterly reports to the Executive Authority. The Audit Committee reviewed the reports and was satisfied that the Board and the Executive Authority were appropriately informed of the activities of the PPECB, the progress on its performance information and its financial management.

FINANCIAL STATEMENTS AND ACCOUNTING PRACTICES

The Annual Financial Statements for the year ended 31 March 2025 were reviewed by the Audit Committee, and the Committee believes that the statements presented a balanced view of the PPECB's performance for the period under review and were in compliance with South African Generally Recognised Accounting Practice (SA-GRAP) and the PFMA. The Committee reviewed and satisfied itself on the entity's compliance with legal and regulatory provisions and confirms that there were no significant adjustments made. The external auditor's management letter and management's response were assessed and deemed satisfactory.

The Audit Committee recognised areas of financial management that required improvement and recommended that management consider actions to mitigate any risk. All actions to improve on the below areas must be reported on quarterly:

- Irregular and Wasteful Expenditure;
- Asset Management;
- Procurement and Contract Management; and
- Supply Chain Management.

EMERGING FINANCIAL ISSUES AND INDUSTRY TRENDS

Technological Advancements: We have monitored the impact of emerging technologies, such as data analytics, on the financial operations. We aim to leverage these advancements to enhance financial reporting, internal controls, and risk management.

Regulatory Changes: We have stayed abreast of regulatory developments and changes that affect financial reporting and disclosure requirements. We work closely with management to ensure timely compliance and address any potential impact on the entity's financial position.

Sustainability Reporting: We have recognised the growing importance of sustainability reporting and have encouraged the integration of Environmental, Social, and Governance (ESG) factors into financial reporting to provide a more comprehensive view of the PPECB's performance.

EVALUATION OF THE EXPERTISE AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER AND THE FINANCE FUNCTION

The expertise and experience of the Chief Financial Officer and the finance team is evaluated on an ongoing basis. The Committee's assessment is that the finance function has the appropriate skills and expertise. The Committee took note of the challenges faced in resource capacity, which management is to remedy to strengthen the control environment and continue to successfully deliver on its objectives.

CONCLUSION OF THE AUDIT COMMITTEE

The Audit Committee remains committed to upholding the highest standards of financial governance, transparency, and compliance. We will continue to work diligently to safeguard the PPECB's financial interests, enhance internal controls, and adapt to the evolving regulatory landscape. The Audit Committee accepts the auditor's opinion of the PPECB's Annual Financial Statements for the year ended 31 March 2025 and conveys its appreciation to the PPECB for maintaining an unqualified audit opinion with no material audit findings.

MARIETTE KOTZE
Chairperson of the Audit Committee
PPECB

PUBLIC FINANCE MANAGEMENT ACT (PFMA) COMPLIANCE

EMPOWERDEX
Economic Empowerment Rating Agency

Generic Agricultural Sector Code B-BBEE Verification Certificate (Specialised Entities)

Perishable Products Export Control Board

Registration Number: N/A
Address: 45 Silwerboom Avenue, Plattekloof, 7560

LEVEL SIX CONTRIBUTOR

Scorecard Information	Actual Score	Target Score	Analysis	Results
Ownership	N/A	N/A	Black Ownership Percentage	N/A
Management Control	14.37	20.00	Black Women Ownership Percentage	N/A
Skills Development	20.13	25.00	51% Black Owned Designated Group Supplier	N/A
Enterprise and Supplier Development	38.48	50.00	Black Disabled Percentage	N/A
Socio-Economic Development	5.00	5.00	Black Youth Percentage	N/A
Total Score	77.98	100.00	Black Unemployed Percentage	N/A
			Black People Living in Rural Areas	N/A
Participated in Y.E.S Initiative	No		Black Military Veterans	N/A
Achieved Y.E.S Target & 2.5% Absorption	No		Modified Flow Through Applied	N/A
Achieved 1.5 x Y.E.S Target & 5% Absorption	No		Exclusion Principal Applied	N/A
Achieved 2 x Y.E.S Target & 5% Absorption	No		VAT Number	4520111198
Empowering Supplier	Yes		Financial Year End	31 March 2024
Procurement Recognition Level	80.00%		Effective Date Used	30 September 2024
Discounting Principle Applicable	Yes		Expiry Date	29 September 2025
Recorded Procurement Recognition Level	60.00%		Re-Issue Date	11 February 2025

Technical Signatory – N.Allie Date 11 February 2025

This verification certificate and the verification report are based on information provided to Empowerdex and represent an independent opinion based on the verification and analysis completed by Empowerdex. The calculation of the scores has been determined in accordance with the Agricultural Sector Codes as Gazetted on 08 December 2017.

EMPOWERDEX (PTY) LTD REG. 2001/017963/07
DIRECTORS: J BREBNOR, V JACK, L RATSOMA, C WU

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BVA 141

1. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The PPECB's compliance report in terms of section 13G(1) of the Broad Based Black Economic Empowerment (B-BBEE) Act 46 of 2013, read with section 12(1) of the B-BBEE Regulations of 2016 and B-BBEE Explanatory Notice 01 of 2018 is detailed below.

As contained in the annual report guide for Schedule 3A and 3C public entities, the PPECB has applied the relevant Code of Good Practice in the following manner:

CRITERIA	RESPONSE (YES/NO)	DISCUSSION
Determining qualification criteria for the issuing of licences, concession, or other authorisations in respect of economic activity in terms of any law?	No	Not applicable
Developing and implementing a preferential procurement policy?	Yes	The PPECB complies with the Preferential Procurement Regulation of 2022
Determining qualification criteria for state-owned enterprises?	No	Not applicable
Determining qualification criteria for entering into partnerships with the private sector?	No	Any public private partnership (PPP) that the PPECB may enter into will be in line with the Treasury Regulations
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad Based Black Economic Empowerment?	No	However, three of the indicators under Programme 4 addresses the issue of capacitating black/historically disadvantaged individuals

Note: The PPECB has submitted the required information by the appointed independent economic empowerment rating agency, however, at the time of reporting, the agency is yet to finalise the new B-BBEE certificate and scorecard. The current verification report is provided on page 78.

2. IRREGULAR EXPENDITURE

Figures in Rand	2025	2024
Opening balance	-	-
Prior period errors	-	-
Add: Irregular expenditure confirmed	22 553	679 380
Less: Irregular expenditure not condoned and removed	(22 553)	(679 380)
Closing balance	**-**	**-**

Irregular expenditure 2025:
There were two instances of irregular expenditure. In the first instance, the three-quote procurement process was not followed and prior approval from the Chief Financial Officer was not obtained. In the second instance the entity continued to use rental services of a service provider whose contract expired.

Irregular expenditure 2024:
There were seven instances of irregular expenditure. The three-quote procurement process was not followed in three instances and prior approval from the Chief Financial Officer was not obtained. There were three instances where the entity continued to use service providers when the contracts had expired and in one instance the entity directly approached one supplier, and the threshold limits were not adhered to.

Reconciling notes to the annual financial statement disclosure	2025	2024
Irregular expenditure for the current year	22 553	679 380
Total	**22 553**	**679 380**

Details of current and previous year irregular expenditure removed - (not condoned)	2025	2024
Irregular expenditure NOT condoned and removed	22 553	679 380
Total	**22 553**	**679 380**

3. FRUITLESS AND WASTEFUL EXPENDITURE

Figures in Rand	2025	2024
Opening balance	-	-
Add: Fruitless and wasteful expenditure confirmed	2 245 652	139 475
Less: Fruitless and wasteful expenditure written off	(2 245 652)	(139 475)
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	**-**	**-**

Fruitless and wasteful expenditure 2025:
There were three instances of fruitless and wasteful expenditure. In the first instance, a VAT payment to the South African Revenue Services was deemed to be paid late and penalty and interest charged of R2,160,783. The matter is being disputed however to prevent further interest being charged, the penalty and interest payment was made. In the second instance, an employee's laptop was damaged through negligence and her employment contract terminated prior to the investigation being concluded. There were insufficient available funds to recover the full debt and R6,150 was irrecoverable. In the third instance, four laptops were stolen and the investigations conducted could not determine how or by whom the laptops were stolen. An amount of R78,719 was irrecoverable.

Fruitless and wasteful expenditure 2024:
There were three instances of fruitless and wasteful expenditure. In the first instance a terminated employee continued to receive a salary. In the second instance a prospective employee was paid a salary but not subsequently employed. In the third instance, bursaries provided to an employee was not recovered in full upon her resignation.

Reconciling notes to the annual financial statement disclosure	2025	2024
Fruitless and wasteful expenditure for the current year	2 245 652	139 475
Total	**2 245 652**	**139 475**

Details of current and previous year fruitless and wasteful expenditure not recoverable and written off	2025	2024
Fruitless and wasteful expenditure not recoverable and written off	2 245 652	139 475
Total	**2 245 652**	**139 475**

4. INTER-INSTITUTIONAL MATTERS

4.1 There were no non-compliance cases where the institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance).

4.2 There were no non-compliance cases where the institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance).

5. LATE AND/OR NON-PAYMENT OF SUPPLIERS

The PPECB did not have non-payment of suppliers for the period under review. Payments were made in accordance with agreed upon negotiated terms.

6. INFORMATION ON SUPPLIER CHAIN MANAGEMENT

6.1 PROCUREMENT BY OTHER MEANS

No	Name of Supplier	Reason for procurement by other means	Value of contract
1	Whistle Blowers (Pty) Ltd	Deviation from the competitive procurement process for training in respect of the PPECB ethics hotline.	7 763
2	NST Beleggings 013 BK	Deviation from the competitive procurement process due to a non-responsive RFQ process for Groblersdal office rental.	780 180
3	Van Eeden Geboue (Pty) Ltd	Deviation from the competitive procurement process due to a non-responsive RFQ process for Ceres office rental.	2 968 679
4	Gaby Gess	Deviation from the competitive procurement process due to impracticality.	498 336
5	Marcus Evans	Deviation from the competitive procurement process for attendance to an online governance risk & compliance conference.	15 520
6	Satinsky 105 Travellers Rest	Deviation from the competitive procurement process due to a non-responsive RFQ process for Clanwilliam office rental.	480 649
7	Parvest (Pty) Ltd	Deviation from the competitive procurement process due to a non-responsive RFQ process for Montague Gardens Office rental.	3 980 454
8	Erven 481 & 171 Tzaneen (EDMS) BK	Deviation from the competitive procurement process due to a non-responsive RFQ process for Tzaneen Office rental.	1 946 424
9	Augpad Koelkamers (Pty) Ltd	Deviation from the competitive procurement process due to alternative office space being limited in the Augrabies area.	191 771
10	Joseph Kalango, subcontracted Architect by Consultmech	Deviation for appointment of a third party to finalise basement occupancy certificate project due to impracticality.	26 000
11	Microsep (Pty) Ltd	Deviation for procurement of Multi Fluorescence Detector Waters 2475 unit for the Alliance HPLC.	538 235
12	JT Ross Property Group	Deviation from the competitive procurement process due to a non-responsive RFQ process for Durban Office rental.	5 755 720
13	Maserumule Attorneys	Deviation from the competitive procurement process for continued rendering of professional services to the Board.	31 660
14	Nieuwoudia Droomland (Pty) Ltd	Deviation from the competitive procurement process due to alternative office space being limited in the Augrabies area.	1 166 874
15	ITEC (SA)	Deviation from the competitive procurement process to ensure business continuity with no business disruption and continued M-Files licensing and support.	1 897 209
16	Maserumule Attorneys	Deviation from the competitive procurement process for continued rendering of professional services to the Board.	35 650

6.2 CONTRACT EXTENSIONS AND VARIATIONS

No	Name of Supplier	Reason for expansion or variation of contract	Original contract value	Value of contract expansion or variation of contract	Value of previous contract expansion or variation of contract
1	KMHT Properties Investments CC	Variation of the contract value for the rental of office space	476 640	99 300	-
2	CRS Technologies	Variation of the contract value for the integration to Oracle - compensation module	672 000	83 600	-
3	Erven 481 & 171 Tzaneen (EDMS) BK	Extension/Variation of current lease to allow sufficient time for competitive tender process.	959 274	146 775	-
4	NASDAQ Corporate Solutions International Limited	Variation of current contract for an additional license	629 694	20 990	-
5	Altron Karabina	Expanded time and scope to accommodate critical functional and business requirements	25 767 130	29 946	8 325 043
6	Clifford Martin	Variation of contract - assessment of entity readiness to new ERP and Business as Usual	884 500	29 000	-
7	Ricoh (South Africa)	Extension of managed printing services to allow sufficient time for entity determine business needs	6 030 957	2 150 200	2 786 553
8	Rentokil Initial	Extension of Hygiene Services for Regional Offices	415 275	103 115	-
9	PKF Cape Town Incorporated	Variation and expansion of scope due to additional external audit work conducted	4 290 650	759 725	-
10	Dreamsmith Marketing (Pty) Ltd	Variation to support reports on entity website	323 886	29 220	-
11	Akili IT Services	Variation to include migration of entity intranet to Sharepoint Online	736 440	287 500	357 390
12	Microsoft Ireland Operations Ltd	Variation to include additional dataverse storage on the Enterprise agreement	59 020 049	7 469 326	-
13	Oracle Corporation (South Africa)	Variation due to the extension of the test environment	32 989 609	36 973	3 558 394
14	Experiential Technologies (Pty) Ltd	Amended extension of contract date. No additional financial implications as budget unspent to date.	640 000	-	-

ANNUAL FINANCIAL STATEMENTS

ANNUAL REPORT
2024/2025

PART 04

FOR THE YEAR ENDED
31 MARCH 2025

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE
South Africa

LEGAL FORM OF ENTITY
Schedule 3A National Public Entity
Constituted and mandated in terms of the Perishable Products Export Control Act 9 of 1983

REGISTERED OFFICE
45 Silwerboom Avenue,
Plattekloof, Cape Town, 7500

BUSINESS ADDRESS
45 Silwerboom Avenue,
Plattekloof, Cape Town, 7500

POSTAL ADDRESS
PO Box 15289,
Panorama, Cape Town, 7506

AUDITORS
PKF Cape Town
Chartered Accountants (S.A.)
Registered Auditors

INDEX

The reports and statements set out below comprise the annual financial statements presented to the Parliament:

VIEW ONLINE

BOARD RESPONSIBILITIES AND APPROVAL

The members of the Board are required by the Public Finance Management Act 1 of 1999 (PFMA), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members of the Board to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board and the requirements of the PFMA.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members of the Board acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members of the Board to meet these responsibilities, the members of the Board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members of the Board are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members of the Board have reviewed the entity's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements are prepared on the basis that the entity is a going concern. The members of the Board have no reason to believe that the entity will not be a going concern in the foreseeable future. The financial statements support the viability of the entity.

The external auditors are responsible for independently reviewing and reporting on the entity's financial statements. The financial statements have been examined by the entity's external auditors and their report is presented on pages 86 to 90.

The annual financial statements set out on pages 91 to 115, which have been prepared on the going concern basis, together with the Board Report were approved by the Board members on 24 July 2025 and were signed on its behalf by:

MS B NJOBE
Chairperson of the Board

MR L JANSEN
Chief Executive Officer & Acting CFO

INDEPENDENT AUDITOR'S REPORT TO PARLIAMENT ON THE PERISHABLE PRODUCTS EXPORT CONTROL BOARD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the Perishable Products Export Control Board (the entity) set out on pages 94 to 115, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

1. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Perishable Products Export Control Board as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the entity in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the accounting authority for the financial statements

The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 89, forms part of our auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

We selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. We selected programmes that measure the entity's performance on its primary mandated functions and that are of public interest.

Programme	Page Number	Purpose
Operational Services	140-141	The purpose of the programme is mandate compliance and to deliver an effective and efficient service to all PPECB stakeholders. The programme is further committed to ensure achievement of the PPECB's strategic objectives.
Food Safety Services	140-141	The purpose of this programme is to ensure compliance to standards regarding food hygiene and food safety as promulgated in notice 707 of 13 May 2005. This is in line with the following European Commission (EC) directives; EC 178/2002, and EC 1525/1998 including the relevant Codex principles. The purpose of this is to enable South Africa continuous penetration of international markets and therefore increase its market share with regards to safe and quality foods.

We evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.

We performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that we can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

We did not identify any material findings on the reported performance information for the selected programmes.

Other matters

We draw attention to the matters below.

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

The table that follows provides information on the achievement of planned targets and lists the key indicator that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 140 to 143.

Programme 2

Targets achieved of indicators selected for auditing (included in Programme 2): 50%
Budget spent: 91%

Key indicator not achieved	Planned target	Reported achievement
Programme 2 - OPERATIONAL SERVICES: % of container inspection conducted via the TITAN 2.0®	80%	63%

Material misstatements

We identified a material misstatement in the annual performance report submitted for auditing. The material misstatement was in the reported performance information for Programme 2. Management subsequently corrected the misstatement, and we did not include any material finding in this report.

REPORT ON COMPLIANCE WITH LEGISLATION

In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.

We performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

We did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

Our opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and we do not express an audit opinion or any form of assurance conclusion on it.

Our responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We did not receive the other information prior to the date of the auditor's report. When we do receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information to be corrected. If the other information is not corrected, we may have to retract the auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

We did not identify any significant deficiencies in internal control.

PKF Cape Town.

PKF Cape Town
M Louw
Partner
Registered Auditor

28 July 2025
Bellville

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

The auditor's responsibility for the audit
The selected legislative requirements for compliance testing

Auditor's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the entity's compliance with selected requirements in key legislation.

Financial statements

In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause a entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COMPLIANCE WITH LEGISLATION - SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A 6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A8.3; 16A8.4; 16A9.1(b)(ii);16A9.1(d); 16A9.1(e); 16A9.1(f)16A9.2; 16A9.2(a)(ii); Regulation 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section18(1)
Construction Industry Development Board Act: Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No.5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No.1 of 2021/22	Paragraph 4.1
National Instruction No.4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act, 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations 2017	Paragraph 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34 (1)

THE BOARD REPORT

The members submit their report for the year ended 31 March 2025.

1. INTRODUCTION

In terms of the Perishable Products Export Control Act 9 of 1983 (PPEC Act) and the Public Finance Management Act 1 of 1999 (PFMA) this report addresses the performance of the Perishable Products Export Control Board (PPECB) and relevant compliance with statutory requirements.

In the opinion of the Board, which fulfils the role of an Accounting Authority as envisaged by the PFMA, the annual financial statements fairly reflect the financial position of the PPECB as at 31 March 2025 and the results of its operations and cash flows for the year then ended.

We have pleasure in submitting to Parliament, through the Minister of Agriculture, this report and the audited annual financial statements of the PPECB for the year ended 31 March 2025.

2. STATUTORY BASIS

The PPECB was established in June of 1926. As a Schedule 3A National Public Entity, the PPECB is constituted and mandated in terms of the PPEC Act to perform cold chain services.

3. THE PPECB MANDATE

The PPECB is an independent service provider of quality certification and cold chain management services for producers and exporters of perishable food products. These services support the PPECB's strategic objectives of enhancing the credibility of the South African export certificate and supporting the export competitiveness of South Africa's perishable product industries.

The PPECB also delivers inspection and food safety services assigned by the DoA under the Agricultural Product Standards Act 119 of 1990 (APS Act). The presence of the PPECB in the export industry is furthermore enhanced by South Africa's recognition as an approved country under the European Commission Regulation 543 of 2011. This agreement recognises the South African inspection system as equivalent to those of the European Union inspection bodies and therefore ensures less frequent checks at the port of import into the European Union.

4. THE PPECB PURPOSE, VISION, MISSION AND VALUES

The PPECB's purpose is to ensure product integrity. Its vision is to enable its customers to be the preferred suppliers of perishable products worldwide. This vision is supported by the PPECB's mission to empower its people to execute its mandates to ensure the integrity of customers' products. This mission is further underpinned by the PPECB values of professionalism, accountability, integrity, agility, collaboration and innovation.

5. THE BOARD

The constitution of the Board is prescribed by the PPEC Act which requires that nine (9) members be appointed by the Executive Authority. At the date of this report, there were eleven (11) members all of whom are non-executive members.

NAME	INDUSTRY
Ms J Atwood-Palm	Processed foods
Mr W Bam	Table grapes
Mr I Beukes	Citrus fruit
Mr M Brinkhuis	Pome and stone fruit
Mr D Donkin	Subtropical fruit
Ms M Kotze	Pome and stone fruit
Mr B Mavume	Marine
Ms B Njobe	Ministerial representative
Dr C Nkuna	Organised agriculture
Mr N Rambau	ICT representative
Ms P Tlomatsane	Citrus fruit

The tenure of office for the members of the Board shall not exceed three (3) years, as per the conditions determined by the Executive Authority. Section 9 of the PPEC Act enables the Board to determine its own board members' remuneration. National Treasury instructions together with board remuneration trends and feasibility are considered when determining board remuneration.

6. BOARD MEETINGS

The Board meets at least four (4) times per annum, or as circumstances necessitate. Board meetings follow a formal agenda to ensure all substantive matters are addressed and information relevant to the meetings are supplied to Board members in advance so that they can make informed and reasoned decisions.

All documents submitted to the Board are reviewed by the PPECB Executive Committee and approved by the Chief Executive Officer to ensure completeness and relevance.

7. EXECUTIVE MANAGEMENT

The PPECB's Executive Management team is listed below:

- Chief Executive Officer: Mr L Jansen
- Chief Financial Officer: Mr J Schwiebus *(Retired 16 April 2025)*
- Chief Operations Officer: Mr C Julius
- Chief Information Officer: Ms B Daries *(Appointed 1 September 2024)*
- Human Capital Executive: Ms P Luwaca
- Chief Information Officer: Ms Y Ramiah *(Resigned 30 April 2024)*

8. BOARD MEMBERS' INTEREST IN CONTRACTS

None of the members of the Board had any interest in contracts entered into during the year under review.

9. FINANCES

The PPECB is self-funded by charging statutory fees (levies) to recover costs for services rendered. The PPECB made a net deficit of R19.27 million (2024: R1.60 million) for the year ended 31 March 2025. The financial statements provide further details regarding the entity's financial performance.

10. ANNUAL FINANCIAL STATEMENTS

The Board confirms that they are responsible for preparing the annual financial statements that fairly present the state of affairs of the PPECB at the end of the financial year. The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the PFMA.

They are based on appropriate accounting policies and are supported by reasonable and prudent judgments and estimates. The external auditors are responsible for carrying out an independent examination of the annual financial statements in accordance with the International Standards of Auditing and for reporting any findings thereon.

11. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Board reviewed and approved the PPECB's financial budgets for the period 1 April 2025 to 31 March 2026 and is satisfied that adequate resources exist to continue business for the foreseeable future. The Board confirms that there is no reason to believe that the PPECB's operations will not continue as a going concern in the year ahead.

12. STRATEGIC PLANNING POLICY

The corporate strategic plan is approved by the Board and Executive Authority and contains predetermined strategic and operational objectives. The plan together with associated budgets, is approved at the beginning of the financial year in compliance with the provisions of the PFMA.

The PPECB has analysed the environment within which it operates and has identified as some of its biggest challenges; the cost of doing business, financial performance of the Laboratory and the retention of critical technical skills. Informed by this analysis, the PPECB developed a five (5) year plan focusing on customer centricity, operational efficiency and competent human capital to effectively deliver on its mandate.

13. SHAREHOLDER'S COMPACT

In terms of the National Treasury Regulations issued in accordance with the PFMA, the PPECB must in consultation with the Executive Authority annually agree on its key performance objectives, measurements and indicators. These are captured in the shareholders' compact which is annually concluded between the PPECB and DoA.

The shareholders' compact promotes good governance practices at the PPECB by helping to clarify roles and responsibilities of the Board and DoA, as well as ensuring agreement on the PPECB's mandate and key objectives.

14. ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Board is committed to the Environmental, Social and Governance (ESG) principles. An ESG strategy is being established to promote an actionable way to measure progress on a more sustainable future.

15. ANNUAL PERFORMANCE INFORMATION

In the PPECB's annual performance information, its achievements are highlighted against the predetermined objectives for the year. The PPECB achieved eleven of its fourteen objectives for the year, a 79% success rate. Further detail on the predetermined objectives can be found in the annual report.

16. STATUTORY FEES (LEVIES)

The PPECB may, with a view to meeting expenditure incurred by the entity, in the performance of its functions in terms of the Agricultural Products Standards Act 119 of 1990 (APS Act) and the regulations, by notice in the Gazette impose a statutory fee (levy) on any perishable product exported under contract or other arrangement made by, through or with the consent of the members of the Board. The proposed statutory fees (levies) for the financial year are subject to annual review and approval by the Executive Authority.

17. SIGNIFICANCE AND MATERIALITY FRAMEWORK

The significance and materiality framework for reporting losses through criminal conduct and irregular, fruitless and wasteful expenditure, as well as significant transactions envisaged per section 54(2) of the PFMA has been confirmed by the Board. Losses through criminal conduct and irregular, fruitless and wasteful expenditure which are identified are disclosed as prescribed in terms of relevant legislation.

18. DELEGATION OF AUTHORITY

The Board has delegated a range of matters to the PPECB Executive Management and has established two (2) board committees (Audit Committee and Human Resources and Ethics Committee) to assist in discharging its responsibilities. Delegating authority to committees or management does not in any way release the Board of its duties and responsibilities. There is always transparency and full disclosure from the board committees to the Board.

19. EMPLOYEES

The PPECB has 602 (2024: 590) permanent employees, 224 (2024: 296) fixed-term and seasonal contract employees as at 31 March 2025.

20. EVENTS SUBSEQUENT TO REPORTING DATE

The members of the Board are not aware of any matters or circumstances arising since the end of the financial year, not otherwise dealt with in the financial statements, which will have a significant impact on the operations, financial results or the financial position of the PPECB.

21. COMPLIANCE WITH LEGISLATION

The Board believes that management has during the year complied in all material respects, with all legislation and regulations applicable to it, including without limitation, the PFMA and any other applicable legislation, the National Treasury Regulations and the Income Tax Act 58 of 1962. The PPECB has compiled a Legal Compliance Register which is monitored and updated as legislation changes and reported to the risk committee periodically.

22. AUDITORS

The Board appointed PKF Cape Town as the PPECB's external auditors for the year under review, which was ratified by the Office of the Auditor General of South Africa.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Trade and other receivables	3	80,626,220	171,424,206
Cash and cash equivalents	4	114,678,002	58,884,991
Operating lease asset	5	866,643	-
		196,170,865	**230,309,197**
Non-Current Assets			
Property, plant and equipment	6	48,006,018	50,187,630
Total Assets		**244,176,883**	**280,496,827**
Liabilities			
Current Liabilities			
Operating lease liability	5	-	433,958
Trade and other payables	7	62,744,664	74,789,349
Provisions	8	1,799,784	1,509,161
		64,544,448	**76,732,468**
Total Liabilities		**64,544,448**	**76,732,468**
Net Assets		**179,632,435**	**203,764,359**
Reserves			
Asset replacement reserve	9	72,009,513	35,492,310
Revaluation reserve	10	14,197,639	19,063,411
Self-insurance reserve	11	17,528,789	20,415,612
General reserves fund		75,896,494	128,793,026
Total Net Assets		**179,632,435**	**203,764,359**

*See Note 19

STATEMENT OF FINANCIAL PERFORMANCE AS AT 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue	12	615,622,303	609,323,995
Other income			
AETP and internal development services		1,227,047	1,277,739
Transformation and development services		1,466,571	1,140,743
Sundry income		7,853,449	5,978,651
Investment interest		7,524,478	10,196,005
	13	**18,071,545**	**18,593,138**
Operating expenses			
Administration		(9,076,705)	(6,624,813)
Auditor's remuneration	14	(1,432,480)	(852,750)
Bad debts		(925,673)	(2,150,109)
Board member fees		(1,224,750)	(1,062,156)
Computer expenses		(58,396,516)	(56,705,645)
Consultant fees		(641,101)	(613,609)
Corporate identity		(2,774,293)	(2,778,600)
Courier charges - samples		(1,674,256)	(1,249,244)
Customer claims		(427,230)	178,753
Depreciation		(7,483,438)	(7,829,117)
Employee compensation and benefits	15	(459,088,377)	(440,687,491)
Hygiene and sanitation		(66,717)	(329,137)
ICT infrastructure outsourced services		(12,808,336)	(18,078,792)
Insurance		(426,343)	(702,875)
Legal fees		(537,837)	(1,586,490)
Loss on disposal of assets		(840,662)	(104,294)
Meetings and workshops		(4,107,022)	(3,829,586)
Office accommodation		(17,540,435)	(16,372,941)
Subsistence and accommodation		(25,500,739)	(24,761,212)
Technical equipment and labels		(18,012,301)	(15,899,547)
Training		(8,955,057)	(6,853,032)
Transformation and corporate social investment		(1,568,211)	(1,490,237)
Travel - local and overseas		(19,451,227)	(19,131,761)
		(652,959,706)	**(629,514,685)**
Operating deficit		**(19,265,858)**	**(1,597,552)**
Finance costs		(294)	-
Deficit for the year		**(19,266,152)**	**(1,597,552)**

*See Note 19

PART 04 Annual Financial Statements

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand	Asset replacement reserve	Revaluation reserve	Self-insurance reserve	General reserve fund*	Total net assets
Opening balance as previously reported	31,286,347	19,063,411	20,307,744	131,999,602	131,999,602
Adjustments					
Prior year adjustments	-	-	-	2,704,807	2,704,807
Balance at 01 April 2023 as restated*	**31,286,347**	**19,063,411**	**20,307,744**	**134,704,409**	**205,361,911**
Transfer from surplus fees for disposal per Section 18(8) and (9) of the PPEC Act	-	-	-	(1,597,552)	(1,597,552)
Transfer from general reserve fund	-	-	-	(4,313,831)	(4,313,831)
Transfer to asset replacement reserve	4,205,963	-	-	-	4,205,963
Transfer to self-insurance reserve	-	-	107,868	-	107,868
Restated* Balance at 01 April 2024	**35,492,310**	**19,063,411**	**20,415,612**	**128,793,026**	**203,764,359**
Transfer from surplus fees for disposal per Section 18(8) and (9) of the PPEC Act	-	-	-	(19,266,152)	(19,266,152)
Decrease of revaluation reserve	-	(4,865,772)	-	-	(4,865,772)
Transfer to asset replacement reserve	36,517,203	-	-	(36,517,203)	-
Transfer from self-insurance reserve	-	-	(2,886,823)	2,886,823	-
Total changes	36,517,203	(4,865,772)	(2,886,823)	(52,896,532)	(24,131,924)
Balance at 31 March 2025	**72,009,513**	**14,197,639**	**17,528,789**	**75,896,494**	**179,632,435**
Note(s)	9	10	11		

The valuation of the PPECB reserves was reviewed by independent actuaries, True South Actuaries and Consultants in 2023. The actuaries confirmed that given the information available, in their opinion, sufficient reserves have been set aside to meet the purpose of the self-insurance and asset replacement reserve. The same principles have been applied by the Board in preparing the current year.

*See Note 19

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Rendering of services		716,967,358	518,325,636
Investment interest		7,524,478	10,196,005
		724,491,836	528,521,641
Payments			
Employee costs		(458,797,754)	(460,862,355)
Suppliers		(197,563,418)	(154,220,037)
Finance costs		(294)	-
Movement in operating lease		(1,300,601)	-
		(657,662,067)	(615,082,392)
Net cash flows from operating activities	17	**66,829,769**	**(86,560,751)**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(11,231,427)	(7,068,629)
Proceeds from sale of property, plant and equipment	6	194,669	-
Net cash flows from investing activities		**(11,036,758)**	**(7,068,629)**
Net increase/(decrease) in cash and cash equivalents		**55,793,011**	**(93,629,380)**
Cash and cash equivalents at the beginning of the year		58,884,991	152,514,371
Cash and cash equivalents at the end of the year	4	**114,678,002**	**58,884,991**

*See Note 19

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual
Statement of Financial Performance					
Revenue					
Revenue from exchange transactions					
Revenue	690,344,000	472,389	**690,816,389**	615,622,303	**(75,194,086)**
AETP and internal development services	1,975,000	-	**1,975,000**	1,227,047	**(747,953)**
Transformation and development services	710,000	-	**710,000**	1,466,571	**756,571**
Sundry income	2,765,041	-	**2,765,041**	7,853,449	**5,088,408**
Investment interest	7,500,000	-	**7,500,000**	7,524,478	**24,478**
Total revenue	**703,294,041**	**472,389**	**703,766,430**	**633,693,848**	**(70,072,582)**
Expenditure					
Employee compensation and benefits	(481,861,350)	-	**(481,861,350)**	(459,088,377)	**22,772,973**
Operating expenses	(257,343,000)	(472,389)	**(257,815,389)**	(193,871,623)	**63,943,766**
Total expenditure	**(739,204,350)**	**(472,389)**	**(739,676,739)**	**(652,960,000)**	**86,716,739**
Deficit	**(35,910,309)**	**-**	**(35,910,309)**	**(19,266,152)**	**16,644,157**
Actual Amount on Comparable Basis	**(35,910,309)**	**-**	**(35,910,309)**	**(19,266,152)**	**16,644,157**

Budgeted revenue is calculated on industry approved volume expectations. Market conditions, global demand, weather conditions influenced anticipated volumes. Unrealised maize volumes contributed materially to the variance on budget.

The underspend on employee compensation and benefits is attributable to vacant administrative positions. The postponement of Human Capital (training) and ICT initiatives contributed to the underspend on operating expenses and unrealised revenue resulted in savings on some direct activity costs.

Statement of Financial Position					
Assets					
Non-Current Assets					
Property, plant and equipment	20,310,000	-	**20,310,000**	11,231,427	**(9,078,573)**

The underspend is due to cost containment initiatives and the postponement of procuring certain assets to the following financial period.

SIGNIFICANT ACCOUNTING POLICIES

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 55 of the Public Finance Management Act 1 of 1999 (PFMA).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.2 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 MATERIALITY

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables
The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Provisions
Provisions were raised and management determined an estimate based on the information available and current applicable internal policies.

1.5 PROPERTY, PLANT AND EQUIPMENT

The useful lives of property, plant and equipment are based on management's estimation. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time. Management referred to the following when making assumptions regarding useful lives and residual values of property, plant and equipment: The useful life of movable assets was determined using the age of similar assets available for sale in the active market.

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land and buildings which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable service amount is estimated. The impairment charged to the Statement of Financial Performance is the difference between the carrying value and the recoverable service amount. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation reserve. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to the general reserve fund when the asset is derecognised.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight-line	50 years
Computer equipment	Straight-line	3 - 30 years
Furniture and fixtures	Straight-line	3 - 30 years
Motor vehicles	Straight-line	5 years
Technical equipment	Straight-line	3 - 30 years

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Residual values were considered for the motor vehicle (9%) and certain laptops & tablets (10%) based on the ICT refresh initiative.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another entity. A financial instrument is measured at amortised cost or fair value.

Initial recognition
A financial asset or financial liability is recognised when the entity becomes a party to the contractual provisions of the instrument. The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities
The entity measures a financial asset and financial liability, other than those subsequently measured at fair value, initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. The entity measures all other financial assets and financial liabilities initially at its fair value.

Subsequent measurement of financial assets and financial liabilities
The entity measures all financial assets and financial liabilities after initial recognition using the financial instruments at amortised cost.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility in the case of a financial asset.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition or are held for trading.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:
- cash;
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:
- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Impairment and uncollectibility of financial assets
The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. For amounts due to the entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

A financial asset is past due when a counterparty has failed to make a payment when contractually due. At the end of each reporting period financial assets are assessed to determine if it is impaired. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in surplus or deficit.

Derecognition
The entity derecognises financial assets using trade date accounting. Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position. A financial asset shall be derecognised when the contractual rights to the cash flows from the financial asset expire, are settled or waived.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition; or are held for trading.

Classification
The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Trade and other receivables	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables	Financial liability measured at amortised cost

1.7 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessee
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions whereby an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits
Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service. Short-term employee benefits include items such as wages, salaries; short-term compensated absences (such as paid annual leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service; and bonus and performance-related payments payable within twelve months after the end of the reporting period in which the employees render the related service.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus and performance-related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payment.

Long-term employee benefits
The entity has an obligation to provide long-term service benefits to all employees appointed prior to 1997. According to the long service award policy, which the Board institutes and operates, permanent employees are entitled to a long service award after completion of a continuous period of twenty, thirty and forty years.

1.9 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:
- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Contingent assets and contingent liabilities are not recognised.

1.10 COMMITMENTS

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:
- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity - therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.11 REVENUE RECOGNITION

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement
Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services
When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.12 INVESTMENT INCOME

Investment income is recognised on a time-proportion basis using the effective interest method.

1.13 RESERVES

Self-insurance reserve
A self-insurance reserve was established to manage the uninsured risks of the PPECB. This involves a formal decision to retain the risk of uninsured risks, specifically on loss or theft of the PPECB's high-valued moveable assets (laptops and tablets), third-party indemnity claims by the industry on product losses, general repairs to the two owned land and buildings and cybersecurity insurance. The value of the self-insurance is the estimated reserve that needs to be retained to cover expected losses at a high confidence level.

Revaluation reserve
The revaluation reserve was established for surpluses generated on the revaluation of the PPECB's owned land and buildings. Valuations are made in accordance with the investment approach method using the basis of recent market transactions, rentals of similar properties in the area and an insurance valuation of the property. Land and buildings are re-valued independently every three years. Valuations are conducted more frequently if deemed necessary to ensure the carrying amount does not differ materially from its fair value at the end of the reporting period.

Asset replacement reserve
The asset replacement reserve was established to provide for the future replacement of technical equipment of the Laboratory without placing reliance on excessive statutory fees (levies) increases. On an annual basis, a review of the asset replacement reserve for the replacement of technical equipment is conducted and adjustments made to ensure sufficient levels. The value of the asset replacement is based on new replacement costs and year-end foreign exchange rates if valued in foreign currency.

General reserve fund
The general reserve fund was established to enable the PPECB to fund operational activities during periods where there are financial shortfalls. The fund is maintained to protect the PPECB's operating capacity by funding non-recurring or unforeseen needs, including severe weather or other natural disasters and unexpected obligations after the budget process has occurred, or opportunities to achieve cost savings.

1.14 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes and Guidelines as applicable.

1.15 IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Public Finance Management Act and is in contravention of any legislation. Irregular expenditure is reported in the notes to the annual financial statements.

1.16 SEGMENT INFORMATION

A segment is an activity of an entity:
- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

1.17 BUDGET INFORMATION

The entity is subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives. The approved budget covers the fiscal period from 01/04/2024 to 31/03/2025.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts.

1.18 RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements. The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

1.19 TAX

In terms of the Income Tax Act 58 of 1962, the PPECB is not subject to normal taxation. No provision has been made for taxation.

Figures in Rand	2025	2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods. The effective dates are yet to be determined.

- GRAP 104 - Financial instruments (effective date: 01 April 2025)
- GRAP 1 - Presentation of financial statements (effective date to be determined)
- iGRAP 22 - Foreign currency transactions and advance consideration (effective date: 01 April 2025)
- GRAP 2023 - Improvements to standards of GRAP2023 (effective date to be determined)

3. TRADE AND OTHER RECEIVABLES

Trade debtors	66,328,764	154,365,049
Sundry debtors	15,198,675	19,209,266
Provision for impairment of receivables	(901,219)	(2,150,109)
	80,626,220	**171,424,206**

Trade and other receivables past due but not impaired
Trade and other receivables which are past due are not considered to be impaired. At 31 March 2025, R 1,859,635 (2024: R 3,440,196) were past due but not impaired. These relate to a number of independent customers to whom there is no recent history of default.

The ageing of amounts past due but not impaired is as follows:

More than 60 days after statement	1,859,635	3,440,196

Trade and other receivables impaired
As of 31 March 2025, trade and other receivables of R 901,219 (2024: R 2,150,108) were impaired. The individually impaired receivables mainly relate to producers and exporters, who are in unexpectedly difficult economic situations. The ageing of these receivables is as follows:

Two to six months	461,660	1,976,827
Six to twelve months	66,963	169,812
More than twelve months	372,596	3,469
	901,219	**2,150,108**

Reconciliation of provision for impairment of trade and other receivables

Opening balance	2,150,108	227,686
Provision for impairment	901,219	2,150,108
Amounts written off as uncollectible	(269,796)	(146,549)
Unused amounts reversed	(1,880,312)	(81,137)
	901,219	**2,150,108**

Figures in Rand	2025	2024

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	218	3,174
Bank balances	23,169,693	4,456,204
Short-term deposits	91,508,091	54,425,613
	114,678,002	**58,884,991**

The effective interest rate is between 7.10% and 7.50%. A Standard Bank guarantee was issued to Branvest Close Corporation, in terms of the Montague Garden's office rental agreement amounting to R 112,020 (2024: R 112,020).

5. OPERATING LEASE ASSET (LIABILITY)

Operating lease asset	866,643	-
Operating lease liability	-	433,958
	866,643	**433,958**

The entity's obligations under operating leases are secured by the lessor's charge over the leased assets. Refer to note 22 on commitments.

6. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost/Valuation	Accumulated depreciation	Carrying value	Cost/Valuation	Accumulated depreciation	Carrying value
Land and buildings	18,000,000	-	18,000,000	23,970,000	(1,104,228)	22,865,772
Computer equipment	27,879,010	(16,779,154)	11,099,856	32,159,012	(18,677,514)	13,481,498
Furniture and fixtures	6,144,787	(2,593,061)	3,551,726	5,734,235	(2,256,773)	3,477,462
Motor vehicles	374,271	(294,862)	79,409	374,271	(224,767)	149,504
Technical equipment	26,738,337	(11,463,310)	15,275,027	19,808,284	(9,594,890)	10,213,394
Total	**79,136,405**	**(31,130,387)**	**48,006,018**	**82,045,802**	**(31,858,172)**	**50,187,630**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Revaluations	Depreciation	Total
Land and buildings	22,865,772	-	-	(4,865,772)	-	18,000,000
Computer equipment	13,481,498	3,118,553	(663,517)	-	(4,836,678)	11,099,856
Furniture and fixtures	3,477,462	485,626	35,556	-	(446,918)	3,551,726
Motor vehicles	149,504	-	-	-	(70,094)	79,409
Technical equipment	10,213,394	7,627,248	(435,867)	-	(2,129,748)	15,275,027
	50,187,630	**11,231,427**	**(1,063,828)**	**(4,865,772)**	**(7,483,438)**	**48,006,018**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	23,163,507	-	-	(297,735)	22,865,772
Computer equipment	13,571,083	6,070,722	(296,560)	(5,863,747)	13,481,498
Furniture and fixtures	3,485,424	338,602	(54,319)	(292,245)	3,477,462
Motor vehicles	233,055	-	-	(83,551)	149,504
Technical equipment	11,353,556	659,303	(507,626)	(1,291,839)	10,213,394
	51,806,625	**7,068,627**	**(858,505)**	**(7,829,117)**	**50,187,630**

Figures in Rand	2025	2024

Revaluations

Cape Town - Erf 19927, Parow with office building thereon: the property was revalued by DDP Valuation & Advisory Services (Pty) Ltd, an independent registered valuer as at 6 January 2025. Valuations were made in accordance with the investment approach method using the basis of recent market transactions, rentals of similar properties in the area and an insurance valuation of the property.

Durban - Portion 1 of Erf 1736, Wentworth with office building thereon: the property was revalued by DDP Valuation & Advisory Services (Pty) Ltd, an independent registered valuer as at 8 January 2025. Valuations were made in accordance with the investment approach method using the basis of recent market transactions, rentals of similar properties in the area and an insurance valuation of the property.

Other information

Expenditure incurred to repair and maintain property, plant and equipment		
Repairs and maintenance buildings	771,934	930,938
Repairs and maintenance furniture fixtures	27,175	10,248
Repairs and maintenance office equipment	470,090	170,557
Repairs and maintenance vehicles	18,001	54,203
	1,287,200	**1,165,946**

7. TRADE AND OTHER PAYABLES

Trade payables	14,558,499	13,054,697
Payroll related control accounts	9,247,088	9,028,430
Accrued expenses	913,574	6,953,591
Deposits received	6,740,423	6,585,423
Accrued leave pay	24,741,509	23,553,255
Accrued external audit fees	1,050,000	852,750
Agricultural product samples	(10,464)	19,372
South African Maritime Safety Authority services	-	119,392
Value added tax (VAT)	5,504,035	14,622,439
	62,744,664	**74,789,349**

8. PROVISIONS

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Total
Customer claims	104,768	427,230	-	531,998
Long service award	1,404,393	-	(136,607)	1,267,786
	1,509,161	**427,230**	**(136,607)**	**1,799,784**

Reconciliation of provisions - 2024

	Opening Balance	Utilised during the year	Reversed during the year	Total
Customer claims	301,501	-	(196,733)	104,768
Long service award	1,921,386	-	(516,993)	1,404,393
Performance incentive	19,461,138	(19,397,962)	(63,176)	-
	21,684,025	**(19,397,962)**	**(776,902)**	**1,509,161**

The performance incentive is paid out in accordance with the Board approved performance incentive policy. The performance incentive payment is subject to approval by the Board. Approval is based on the outcome of the audited financial results, the achievement of the PPECB against its predetermined objectives and individuals' agreed key performance objectives for the past financial year. The entity did not make a surplus in the current financial year and therefore no performance incentive is provided for.

All permanent employees appointed prior to 1997, may become entitled to a long service award upon completion of twenty, thirty or forty years service.

The entity provided for three potential claims (2024: two potential claims) from customers in the current financial year.

Figures in Rand	2025	2024

9. ASSET REPLACEMENT RESERVE

Opening balance	35,492,310	31,286,347
Transfer from general reserve fund	36,517,203	4,205,963
	72,009,513	**35,492,310**

10. REVALUATION RESERVE

Opening balance	19,063,411	19,063,411
Decrease of revaluation reserve	(4,865,772)	-
	14,197,639	**19,063,411**

11. SELF-INSURANCE RESERVE

Opening balance	20,415,612	20,307,744
Transfer(to)/from general reserve fund	(2,886,823)	107,868
	17,528,789	**20,415,612**

12. REVENUE

APS inspection services	390,848,157	397,257,955
Container services	15,652,514	15,958,641
Export services	168,336,719	160,522,719
Food safety certifications	9,382,131	8,954,273
Laboratory services	23,102,732	19,571,145
Sea services	8,300,050	7,059,262
	615,622,303	**609,323,995**

13. OTHER INCOME

AETP and internal development services	1,227,047	1,277,739
Transformation and development services	1,466,571	1,140,743
Sundry income	7,853,449	5,978,651
Investment interest	7,524,478	10,196,005
	18,071,545	**18,593,138**

14. AUDITORS' REMUNERATION

Fees	1,432,480	852,750

15. EMPLOYEE COMPENSATION AND BENEFITS

Salaries and wages	427,868,340	411,274,019
Defined contribution costs - retirement fund	31,220,037	29,413,472
	459,088,377	**440,687,491**

Figures in Rand	2025	2024

16. TAXATION

In terms of the Income Tax Act 58 of 1962, the PPECB is not subject to taxation. No provision was made for income tax.

17. CASH USED IN OPERATIONS

Deficit	(19,266,152)	(1,597,552)
Adjustments for:		
Depreciation	7,483,438	7,829,117
Movements in operating lease assets/liabilities	(1,300,601)	(157,774)
Movements in provisions	290,623	(20,174,864)
Other movements - property, plant and equipment	840,662	858,504
Changes in working capital:		
Trade and other receivables	90,797,986	(99,395,491)
Trade and other payables	(12,016,187)	26,077,309
	66,829,769	**(86,560,751)**

18. RELATED PARTIES

The PPECB has related party relationships with the Department of Agriculture, members of the Board and the management committee. The Department of Agriculture has significant influence. Services delivered to related parties are on terms of business normally prevailing with third parties. The PPECB rendered services of R 24,251,744 (2024: R 15,113,260) to companies on which some of the members of the Board serve and to the Department of Agriculture. The outstanding debtors balances of these companies and the Department of Agriculture totalled to R 1,463,668 (2024: R 1,050,501).

Related party balances

Board members		
Mr W Bam - SA Tafeldruiwe NPC	178,567	42,515
Mr W Bam - The Grape Company	634,557	-
Ms M Kotze/Mr M Brinkhuis - SA Apple & Pear Producers Association NPC	52,526	16,675
Ms M Kotze/Mr M Brinkhuis - SA Stone Fruit Producers Association NPC	79,493	18,927
Mr I Beukes - Sundays Citrus Company (Pty) Ltd	-	886
Mr I Beukes - SRCC Marketing (Pty) Ltd	4,397	50,881
Ms B Njobe - Rhodes Food Group (Pty) Ltd	289,001	517,478
	1,238,541	**647,362**

Department of Agriculture		
Laboratory Analysis and Diagnostics Programme	10,464	(18,563)
Export readiness & Market Access Programme (Eastern Cape)	26,472	(461,037)
Export readiness & Market Access Programme (Northern Cape)	31,388	260,117
Export readiness & Market Access Programme (Mpumalanga)	(1,755)	135,673
Export readiness & Market Access Programme (Free State)	55,767	44,245
Export readiness & Market Access Programme (KZN)	-	3,612
Export readiness & Market Access Programme (North West)	124,521	55,214
Export readiness & Market Access Programme (Gauteng)	(3,807)	152,674
Agricultural Sector Education Training Authority (AgriSETA)	(17,923)	231,204
	225,127	**403,139**

Figures in Rand	2025	2024
Related party transactions		
Board members		
Mr W Bam - SA Tafeldruiwe NPC	265,725	297,609
Mr W Bam - The Grape Company	8,655,393	-
Ms M Kotze/Mr M Brinkhuis - SA Apple & Pear Producers Association NPC	174,508	133,400
Ms M Kotze/Mr M Brinkhuis - SA Stone Fruit Producers Association NPC	99,366	94,634
Mr I Beukes - Sundays Citrus Company (Pty) Ltd	5,952,396	6,646,887
Mr I Beukes - SRCC Marketing (Pty) Ltd	2,709,897	3,075,405
Mr I Beukes - Venco Fruit Processors (Pty) Ltd	7,966	-
Ms B Njobe - Rhodes Food Group (Pty) Ltd	1,663,128	1,007,901
	19,528,379	**11,255,836**
Department of Agriculture		
Agri Export Technologist Programme	570,136	-
Export readiness & Market Access Programme (Gauteng)	376,980	435,201
Export readiness & Market Access Programme (KZN)	634,662	257,156
Export readiness & Market Access Programme (Limpopo)	1,020,777	470,760
Export readiness & Market Access Programme (Mpumalanga)	820,920	659,135
Export readiness & Market Access Programme (Northern Cape)	283,451	350,448
Export readiness & Market Access Programme (North West)	270,164	209,609
Export readiness & Market Access Programme (Western Cape)	83,221	23,826
Export readiness & Market Access Programme (Free State)	48,493	85,649
Agricultural Sector Education Training Authority (AgriSETA)	71,083	822,162
Department of Agriculture	543,478	543,478
	4,723,365	**3,857,424**

Remuneration of management

Management class: Board members

2025		
Name		
Ms J Atwood-Palm	173,927	160,636
Mr W Bam	60,997	68,597
Mr I Beukes	81,907	94,750
Mr M Brinkhuis	194,363	121,268
Mr D Donkin	75,369	78,061
Ms M Kotze	118,628	118,658
Mr B Mavume	103,441	102,287
Ms B Njobe	129,315	111,632
Dr C Nkuna	81,907	99,595
Mr N Rambau	103,441	-
Ms P Tlomatsane	101,456	99,595
	1,224,751	**1,055,079**

Figures in Rand 2025 2024

Management class: Executive Management

2025	Basic salary	Travel allowance	Medical aid and provident contributions	Total
Name				
Chief Executive Officer	2,990,892	4,800	598,178	3,593,870
Chief Financial Officer	2,389,020	30,000	581,265	3,000,285
Chief Operations Officer	1,998,802	12,000	503,751	2,514,553
Chief Information Officer**	166,768	-	15,009	181,777
Chief Information Officer***	1,226,587	-	174,591	1,401,178
Human Capital Executive	1,593,182	-	259,975	1,853,157
	10,365,251	**46,800**	**2,132,769**	**12,544,820**

2024	Basic salary	Travel allowance	Medical aid and provident contributions	Total
Name				
Chief Executive Officer	2,819,831	4,800	563,966	3,388,597
Chief Financial Officer	2,255,808	30,000	542,803	2,828,611
Chief Operations Officer	1,890,991	12,000	467,383	2,370,374
Chief Information Officer	1,887,262	-	169,854	2,057,116
Human Capital Executive	1,554,337	-	192,077	1,746,414
	10,408,229	**46,800**	**1,936,083**	**12,391,112**

** Ms Y Ramiah resigned on 30 April 2024
*** Ms B Daries was appointed on 1 September 2024

19. PRIOR PERIOD ERROR

The accumulated depreciation was not appropriately accounted for in the previous financial periods, which resulted in an understatement of property, plant and equipment.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position	
Property, plant and equipment	2,174,309
General reserve fund	(2,704,807)
Statement of Financial Performance	
Depreciation	530,499

Figures in Rand	2025	2024

20. RISK MANAGEMENT

Financial risk management
The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The members of the Board acknowledge their responsibility for establishing and communicating appropriate risk and control policies and ensuring adequate risk management processes are in place. The audit committee assists the members of the Board in discharging their risk management obligations.

The principal objectives of risk management are to:
- Review the Board's risk philosophy, strategy, policies and processes recommended by senior management;
- Review and assess the integrity of the process and procedures for identifying, assessing, recording and monitoring of risk;
- Review the adequacy and effectiveness of the Board's risk management function and its implementation by management and;
- Ensure that material risks have been identified, assessed and receive attention.

The Board's risk management processes, of which the systems of internal, financial and operating controls are an integral part, are designed to control and monitor risk throughout the Board. For effectiveness, these processes rely on regular communication, sound judgement and thorough knowledge of statutory and operational activities. Management is tasked with integrating the management risk into the day-to-day activities of the Board.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash reserves. The entity's risk to liquidity is the risk that funds are not available to cover future commitments.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The entity manages the liquidity risk through an ongoing review of future commitments by monitoring cash flows, budgets and management accounts. Included in the general reserve fund is a provision for expense risk (an increase in the level of expenditure, without a commensurate increase in income).

The contractual cash flows due as at 31 March 2025 to trade and other payables is R 32,499,122 (2024: R 36,668,301). Trade payables will be settled within one year or less.

Credit risk
Credit risk arises from cash and equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding trade receivables.

Measures taken by the Board to limit credit risk to acceptable levels include, inter alia, an assessment of the credit quality of the customer, by taking into account their financial position, past experience and other factors, the application of standard credit acceptance procedures to assess potential clients, daily monitoring of collectible balance at both regional and head office level and the suspension of services to accounts which exceed the Board's payment terms.

The table below shows the balances of the financial institutions in which the Board held deposits at statement of financial position date:

Financial institution		
Standard Bank Group	39,514,783	27,379,570
South African Reserve Bank - Corporation of Public Deposits	75,163,001	31,502,247

The carrying amount of trade receivables in the statement of financial position represents the Board's exposure to credit risk in relation to these assets. Credit limits assigned to customers may be exceeded due to timing differences. Such instances are individually approved and closely monitored by management. Management does not expect any losses from non-performance by these counterparties. The Board's exposure to concentrated credit risk is low due to the large number of customers and their dispersion across different geographical areas and product sectors.

Figures in Rand	2025	2024

Market risk

Cash flow and fair value interest rate risk
The Board's interest rate risk arises from investments held to maturity as well as from cash and cash equivalents. The Board's policy is to maintain its investments across a range of high-quality financial institutions. Interest rate exposure and investment allocations are evaluated by management on a regular basis. This risk is managed by maintaining an appropriate mix of investments with registered financial institutions. Interest - bearing investments are held with reputable financial institutions in order to minimise exposure.

Interest rate risk
As the entity has no significant interest - bearing assets, the entity's income and operating cashflows are substantially independent of changes in market interest rates.

Capital risk management
Capital is regarded as total reserves which is a result of accumulated surpluses. The Board strives to maintain a sufficient reserve as to sustain its statutory obligations. The level of the reserves is dependent on the approval of the Minister of Agriculture.

Summary of financial instruments

Financial instrument	At amortised cost	
Trade and other receivables	66,155,921	152,767,011
Cash and cash equivalents	114,678,002	58,884,991
Trade and other payables	32,499,122	36,668,301

21. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure	22,553	679,380
Fruitless and wasteful expenditure	2,245,652	139,475
Closing balance	**2,268,205**	**818,855**

Details of the irregular, fruitless and wasteful expenditure

Irregular expenditure
In respect of irregular expenditure incurred during the year, two instances are reported. In the first instance, the three-quote procurement process was not followed and prior approval from the Chief Financial Officer was not obtained which is a deviation from National Treasury Regulations and in the second instant the entity continued to use rental services of a service provider whose contract expired.

Fruitless and wasteful expenditure
In respect of fruitless and wasteful expenditure, three instances are reported. In the first instance, a VAT payment to the South African Revenue Services was deemed to be paid late and penalty and interest charged of R2,160,783. The matter is being disputed however to prevent further interest being charged, the penalty and interest payment was made. In the second instance, an employee's laptop was damaged through negligence and her employment contract terminated prior to the investigation being concluded. There were insufficient available funds to recover the full debt and R6,150 was irrecoverable. In the third instance, four laptops were stolen and the investigations conducted could not determine how or by whom the laptops were stolen. An amount of R78,719 was irrecoverable.

Figures in Rand	2025	2024

22. COMMITMENTS

Authorised capital expenditure

Not yet contracted		
Property, plant and equipment	-	22,383,000
Total capital commitments		
Not yet contracted	-	22,383,000

The above prior year commitments were financed by retained surpluses and existing cash resources. There are no commitments for the current financial period.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	7,739,369	5,961,505
- in second to fifth year inclusive	20,079,023	1,951,587
	27,818,392	**7,913,092**

Operating lease payments represent monthly rentals payable by the entity for certain of its office properties. Renewals and escalations are executed per the lease agreements.

23. SEGMENT INFORMATION

General information

Identification of segments
The segmental information has been prepared in accordance with the Standards of GRAP, issued by the Accounting Standards Board in accordance with Section 91(1) of the PFMA.

The segmental information report reflects the reportable segments regularly provided, reviewed and used by the Board and Executive Management to make strategic decisions and assess performance of the segments. The Executive assesses the performance of the operating segments based on a measure of contribution consistent with that of the financial statements.

The operations in each reportable segment are: Statutory Services and Food Safety Services, which provide mostly regulatory services at a fee to the perishable product industry. Statutory Services are responsible for delivering integrated inspection and cold chain services on perishable products being exported. Food Safety Services refers to the assurance given that food will not cause harm to the consumer when consumed. The Transformation and Development Services Programme is aimed at building capacity through the development of internal and external skills. Corporate Services ensures coherence among the respective programmes within the PPECB by providing support, direction, leadership and promoting the services of the entity.

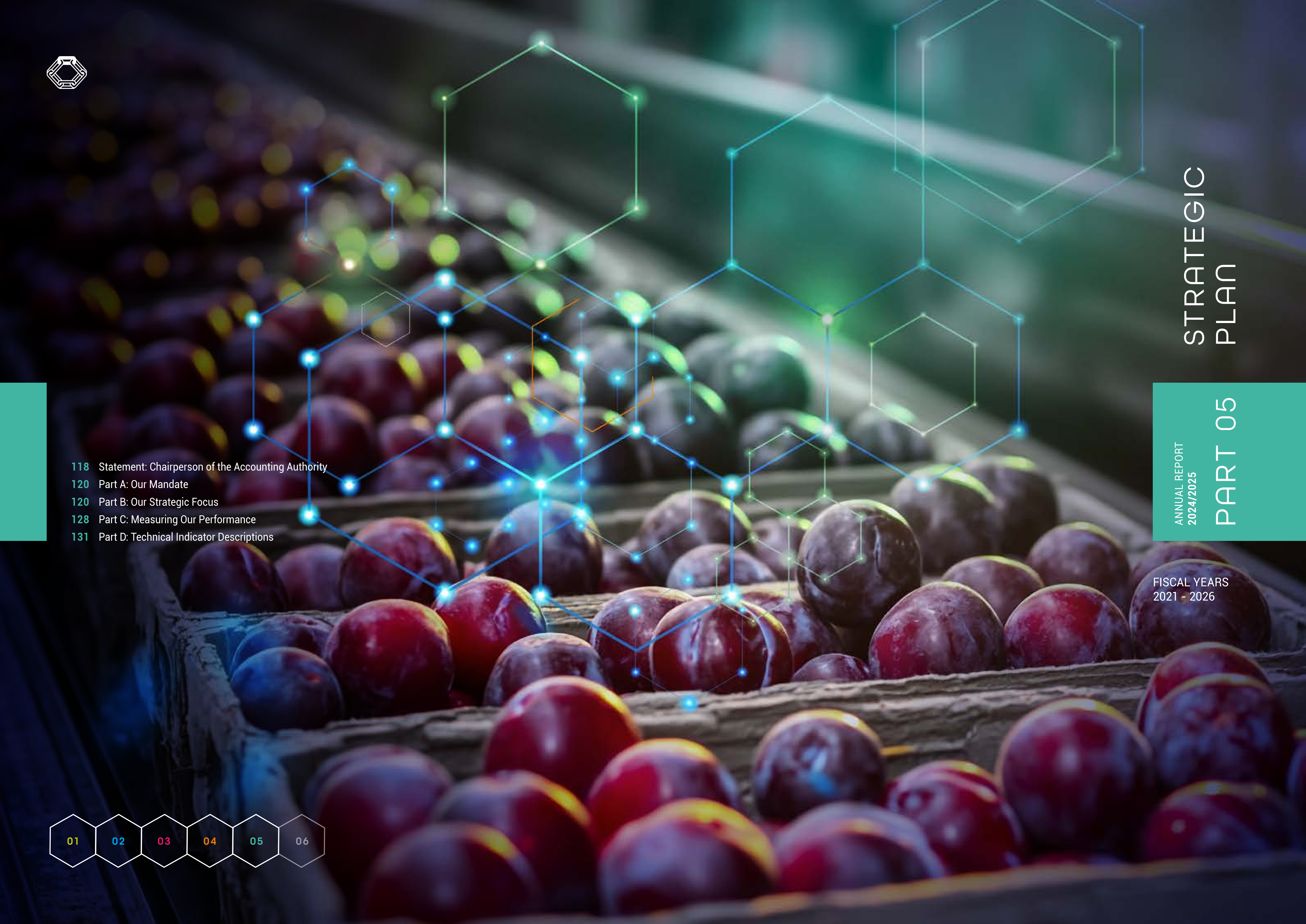
Segment of (deficit) surplus

2025	Statutory services	Food Safety services	Development services	Total
Revenue				
Revenue from exchange transactions	585,946,819	32,491,418	4,639,204	623,077,441
Total segment revenue				**623,077,441**
Expenditure				
Employee compensation and benefits	339,523,596	18,759,726	5,366,738	363,650,060
Activity cost	55,439,885	14,361,077	715,589	70,516,551
Administrative cost	26,073,915	7,676,718	4,349,728	38,100,361
Total segmental expenditure	**421,037,396**	**40,797,521**	**10,432,055**	**472,266,972**
Total segmental (deficit) surplus	**164,909,423**	**(8,306,103)**	**(5,792,851)**	**150,810,469**
Corporate services revenue				10,616,407
Corporate services expenditure				(180,693,028)
Total segmental surplus				150,810,469
Entity's deficit for the period				**(19,266,152)**

Additions to non-current assets, total assets and total liabilities of segments have not been disclosed as the amounts are not regularly provided to management for review.

2024	Statutory services	Food Safety services	Development services	Total
Revenue				
Revenue from exchange transactions	584,183,739	28,588,706	3,076,686	615,849,131
Total segmental revenue				**615,849,131**
Expenditure				
Employee compensation and benefits	344,250,745	16,434,375	4,845,774	365,530,894
Activity cost	42,453,745	12,837,691	103,463	55,394,899
Administrative cost	19,611,486	6,389,419	3,100,187	29,101,092
Total segmental expenditure	**406,315,976**	**35,661,485**	**8,049,424**	**450,026,885**
Total segmental (deficit) surplus	**177,867,763**	**(7,072,779)**	**(4,972,738)**	**165,822,246**
Corporate services revenue				12,068,002
Corporate services expenditure				(179,487,800)
Total segmental surplus				165,822,246
Entity's deficit for the period				**(1,597,552)**

Additions to non-current assets, total assets and total liabilities of segments have not been disclosed as the amounts are not regularly provided to management for review.



STRATEGIC PLAN

PART 05

ANNUAL REPORT
2024/2025

FISCAL YEARS
2021 - 2026

STATEMENT: CHAIRPERSON OF THE ACCOUNTING AUTHORITY

The Perishable Products Export Control Board (PPECB) is constituted and mandated in terms of the Perishable Products Export Control Act 9 of 1983 (PPEC Act) to perform cold chain services. As a national public entity, the PPECB delivers mandatory inspection, cold chain, food safety, and analytical laboratory services for the perishable produce export industry aimed at enhancing export competitiveness. The PPECB is South Africa's official perishable produce export certification agency and is thus deemed an essential service.

The PPECB is mandated by the Department of Agriculture (DoA) and has been delivering end-point inspection services on perishable products destined for export since 1991. The PPECB ensures that food business operators comply with the standards regarding food hygiene and food safety of regulated agricultural food products intended for export. The PPECB fulfils this role by conducting statutory food safety audits nationally.

The PPECB also delivers inspection and food safety services assigned by the DoA under the Agricultural Product Standards Act 119 of 1990 (APS Act). The presence of the PPECB in the export industry is furthermore enhanced by its recognition as an approved third country under the European Commission Regulation 543 of 2011. This agreement recognises the South African inspection systems as equivalent to those of the European Union (EU) inspection bodies and, therefore, ensures less frequent checks at the port of import into the EU. Furthermore, given the historical impact of race and gender disparities in the agricultural export industry, the PPECB works with other stakeholders to contribute to transformation that seeks to increase the level of participation of black agricultural producers in the export industry.

BONGIWE NJOBE
Chairperson of the Board
PPECB

VIEW ONLINE

CURRENT CONTEXT

The South African agricultural sector has done reasonably well over the past three decades, having doubled in value and volume terms. Exports reached record levels of US$12,8 billion in 2022, with employment also at the highest levels since the early 1990s, at 956 000 in the third quarter of 2023. The key products that underpinned these exports were fruits, wine, and grains, where the PPECB has continued to provide independent inspection services.

The forecasts for the 2024/2025 season remain optimistic from a production perspective. Notwithstanding the challenges of climate change and global and national economic and social risks, the major risks to South African exports are in the logistics value chain, specifically inefficiencies and delays at ports, exacerbated by the deteriorating quality of roads and rail. It is imperative that the PPECB works collaboratively with Government, industry, and logistics organisations to resolve these issues.

Within the PPECB, significant progress has been made in its digitalisation journey of moving the organisation and its services into an ICT-enabled environment. Commensurate resources are being allocated to introduce Microsoft D365 as an ERP system organisation-wide. Furthermore, the PPECB's electronic inspection platform continues to increase the volumes inspected, with 96% of the main products now being inspected on TITAN 2.0®. Consistent with the rollout of the ERP, the organisation is planning the implementation of a new Human Capital Suite in 2024. These systems will be at the core of the organisation's digitalisation strategy and seek to improve organisational efficiencies and stakeholder engagement. In support of the rollout of the strategy, the PPECB Board has received approval to enhance ICT governance and oversight by appointing suitably qualified and experienced individuals to the Board. Load shedding remains a challenge, as it impacts electronic systems and loading schedules. This creates inefficiencies during product inspection and cold chain management and requires more resources, resulting in higher costs.

With respect to its commitment to contribute to meaningful race and gender transformation, the PPECB has trained just over 650 black smallholder farmers, 57 of whom have been certified as export-ready. Recognising that the pathway to export readiness includes access to finance and infrastructure, the Board has encouraged the PPECB management to develop collaborative programmes to enable this. In addition, the PPECB has successfully trained 48 students through its Agri Export Technologist Programme (AETP). Many of these students have been employed by the PPECB.

The new Board was appointed in February 2023 and has reviewed the progress on the PPECB's strategy for 2021 to 2026. The Board has confirmed that it continues to be driven and executed through four main programmes:

Corporate Services Programme - This programme operates cross-functionally with the primary aim of consistently delivering professional support services to the whole of the PPECB.

Operational Services Programme - This programme is responsible for delivering independent, integrated inspection and cold chain services for the export market.

Food Safety Services Programme - The main objective of the Food Safety Services Programme is to ensure compliance with the regulations that apply to the South African standards on food safety and quality.

Transformation and Development Services Programme - The Transformation and Development Services Programme is aimed at building capacity through the development of internal and external skills.

The PPECB Board has further highlighted the following objectives to be taken into consideration in the work of the organisation to ensure continuous improvement through a process of transformation, innovation, and digitalisation. Specifically, the Board identified the opportunity to further improve:

- the client experience through seamless integration with PPECB systems (externally);
- the provision of timeous and relevant inspection and shipping information;
- business efficiencies to ensure effective service delivery and reduced cost; and
- the number of black smallholder farmers and suppliers that the PPECB assists.

The Board has further committed to enhancing the PPECB's analytical laboratory capacity, which will see the procurement of a new building and the addition to the scope of new services provided.

As we move into the new 2024/2025 financial year, it is pleasing to note that the PPECB remains financially sound, received an unqualified audit report for the previous fiscal year and has a relatively low employee turnover rate. Levy increases have been kept relatively low and in touch with inflation for the past five years.

The stakeholder feedback on PPECB services is positive and was reported to be around 90% satisfaction when last measured in the 2023 survey. A testament to this could be seen in the positive response by stakeholders to the annual stakeholder event as well as the annual charity event, which saw R65 000 donated to the nominated charity.

It is important to acknowledge the support of the Ministry and the DoA in the work of the Board and the PPECB, the previous Board for ensuring a smooth handover of the transition and the current Board for the diligent way they execute their fiduciary, strategic and leadership responsibilities. Finally, on behalf of the Board, I wish to commend the CEO, the management team and the employees of the PPECB for the professional manner in which they fulfil their responsibilities.

PART A: OUR MANDATE

1. LEGISLATIVE AND POLICY MANDATES

The PPECB is mainly governed by the Perishable Products Export Control Act 9 of 1983 (PPEC Act) and the Agricultural Product Standards Act 119 of 1990 (APS Act). In terms of this legislation, the PPECB is responsible for overseeing the export of perishable produce. This is achieved through the inspection of listed agricultural products and management of the cold chain. The PPECB is further mandated to conduct food safety audits in terms of the APS Act on all Food Business Operators (FBOs) exporting perishable produce of plant origin.

Informed by the National Growth Path (NGP) and the National Development Plan (NDP), the Medium Term Strategic Framework (MTSF) places great emphasis on smallholder farmer development and rural employment, among other things.

As subject matter experts for the inspection of listed agricultural products and the management of the cold chain and food safety certification targeted at the export market, the PPECB is committed to supporting Government in achieving these outcomes.

The PPECB has formulated policies that will promote and facilitate the achievement of these outcomes and has further introduced programmes directing organisational resources accordingly.

PART B: OUR STRATEGIC FOCUS

1 VISION

Enabling our clients to become preferred suppliers of perishable products worldwide.

2 MISSION

Empowering our people to execute the PPECB's mandate to give integrity to their clients' products.

3 VALUES

AGILITY
We are flexible and able to adjust rapidly to change.

INNOVATION
We continuously improve what we do and experiment with new ways of doing things.

ACCOUNTABILITY
We take ownership of our deliverables.

INTEGRITY
We trust our people to uphold the highest standards of honesty and excellence in what we do.

COLLABORATION
We actively engage in sharing knowledge and experience.

PROFESSIONALISM
We do the job right the first time with a positive attitude.

PART 05 Strategic Plan

4. SITUATIONAL ANALYSIS

Global perishable produce exports are becoming increasingly competitive as new entrants are accessing international markets and the drive towards safe and premium quality food continues. Non-technical trade barriers remain a great concern and the provision of relevant export information has become more critical than ever before.

The unusually stubborn and protracted La Niña event is likely to last until the end of the southern hemisphere summer. The first "triple-dip" La Niña (three consecutive years) of the 21st century will continue to affect temperature and precipitation patterns and exacerbate drought and flooding in various parts of the world, according to the World Meteorological Organisation (WMO). The recent floods in the Western Cape are evidence of the impact of changes in weather conditions. The major dams within South Africa are between 80% and 96% of their capacity. However, the dams within the Western Cape are at 94% capacity compared to 71% at the same time last year. This reflects a much better position from an agricultural point of view.

Being an independent and impartial regulator for South African perishable exports for the past 90 years, the PPECB is very much focused on delivering quality inspection services, cold chain management services and, to some extent, food safety certification services based on a minimum South African export standard. Leapfrogging to an era where technological advancements will continue to disrupt the status quo, privileged information is readily available, and consumers are spoiled for choice, the PPECB has no choice but to adapt to these rapid changes or simply face becoming irrelevant.

Clients now expect increased efficiencies, seamless systems integration, a faster flow of information supported by proper business and, more so, market intelligence and impeccable client service. It is clear that the PPECB's value proposition should change from merely playing the role of a regulator to that of an enabler. The organisation should, therefore, seek ways to augment its current service offering with value-adding services directed at making South African perishable produce more competitive globally. In addition, such services can create a further income stream for the PPECB, relieving some pressure on future levy increases. The PPECB is certainly not unique and has highlighted organisational culture as one of the major focus areas to ensure the successful delivery of the organisational strategy.

The PPECB will, therefore, continue to focus on the following strategic focus areas:

- Further improve the client experience through seamless integration with PPECB systems (external);
- The provision of relevant and timeous export and shipping information and market trends to enhance the competitiveness of the industry (BI);
- Continuous improvement through a process of transformation, innovation, and digitalisation;
- Improved business efficiencies to ensure effective service delivery and contain cost; and
- Improved business sustainability for black smallholder farmers and suppliers.

4.1 EXTERNAL ENVIRONMENT ANALYSIS

The global economy continues to recover slowly from the blows of the COVID-19 pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis. In retrospect, the resilience has been remarkable. Despite the disruption in energy and food markets caused by the war and the unprecedented tightening of global monetary conditions to combat decades-high inflation, the global economy has slowed but not stalled. Yet, growth remains slow and uneven, with growing global divergences. The global economy is limping along, not sprinting. Globally, the number of new COVID-19 cases decreased by 55% during the 28-day period of 28 August to 24 September 2023 as compared to the previous 28-day period, with over 685 000 new cases reported. The number of new deaths decreased by 34% as compared to the previous 28-day period, with over 1 900 new fatalities reported. As of 24 September 2023, over 770 million confirmed cases and over six million deaths have been reported globally.

According to our latest projections, global growth will slow from 3.5 % in 2022 to 3% this year and 2.9% next year, a 0.1% point downgrade for 2024 from our July projections. This remains well below the historical average. Headline inflation continues to decelerate, from 9.2% in 2022, on a year over year basis, to 5.9% this year and 4.8% in 2024. Core inflation, excluding food and energy prices, is also projected to decline, albeit more gradually than headline inflation, to 4.5% in 2024. (IMF October 2023)

The first years of this decade have heralded a particularly disruptive period in human history. The return to a "new normal" following the COVID-19 pandemic was quickly disrupted by the outbreak of war in Ukraine, ushering in a fresh series of crises in food and energy - triggering problems that decades of progress had sought to solve. As 2023 begins, the world faces a set of risks that feel both wholly new and eerily familiar. We have seen a return of "older" risks - inflation, cost-of-living crises, trade wars, capital outflows from emerging markets, widespread social unrest, geopolitical confrontation and the spectre of nuclear warfare - which few of this generation's business leaders and public policy-makers have experienced. These are being amplified by comparatively new developments in the global risks landscape, including unsustainable levels of debt, a new era of low growth, low global investment and de-globalisation, a decline in human development after decades of progress, rapid and unconstrained development of dual-use (civilian and military) technologies, and the growing pressure of climate change impacts and ambitions in an ever-shrinking window for transition to a 1.5°C world. Together, these are converging to shape a unique, uncertain and turbulent decade to come. (WEF 2023)

For advanced economies, the expected slowdown is from 2.6% in 2022 to 1.5% in 2023 and 1.4% in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging markets and developing economies are projected to have growth modestly decline, from 4.1% in 2022 to 4.0% percent in both 2023 and 2024, with a downward revision of 0.1% point in 2024, reflecting the property sector crisis in China.

Forecasts for global growth over the medium term, at 3.1%, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. (IMF 2023)

Statistics South Africa (Stats SA) has issued the results of the Quarterly Labour Force Survey (QLFS) for Quarter 3 (Q3): 2023. The working-age population increased by 140 000 or 0,3% in the third quarter of 2023 compared to the second quarter of 2023. Compared to Q3: 2022, the working-age population increased by 564 000 or 1,4%. The number of employed persons increased by 399 000 to 16.7 million in Q3: 2023, while the number of unemployed persons decreased by 72 000 to 7.8 million compared to Quarter 2 (Q2): 2023, resulting in an increase of 326 000 (up by 1,3%) in the number of people in the labour force. The number of discouraged work-seekers decreased by 26 000 (down by 0,8%) and the number of people who were not economically active for reasons other than discouragement also decreased by 160 000 (down by 1,2%) between the two quarters, resulting in a net decrease of 186 000 in the not economically active population.

The number of persons moved from the "not economically active" and "unemployed" statuses to the "employed" category between the two quarters, which resulted in a decrease of 0,7 of a percentage point in the unemployment rate to 31,9%. The labour force participation rate in Q3: 2023 was higher than that reported in Q2: 2023 as a result of these movements - increasing by 0,6 of a percentage point to 60,2%. The absorption rate increased by 0,9 of a percentage point to 41,0% in the third quarter of 2023 compared to the second quarter of 2023.

During the 2022 State of the Nation Address (SoNA), President Ramaphosa indicated that for the 2023 SoNA, the focus is not on new plans or the full programme of Government; rather, the SoNA is concentrating on those issues that concern South Africans the most such as load shedding, unemployment, poverty, crime and corruption. In that regard, the 2024/2025 Annual Performance Plan (APP) should focus on actions that will make meaningful progress now. It is expected that the department should fast-track the implementation of its commitments in alignment with the relevant twelve SoNA Priorities.

The reporting period was not good for volumes shipped on cold treatment specialised refrigerated vessels. The USA market had seen a reduction in volumes shipped on this mode of transportation due to the floods earlier in the year, which impacted packing schedules. The USA market had seen a decline of seven vessels compared to last year. However, there has been a significant increase in pallets shipped to Russia in terms of the mode of transportation. Year to date, there is a 29% shortfall in budgeted volumes on this mode of transportation. The shipping lines indicated that they intend to use SRVs for the coming table grape season. This will assist in increasing the number of pallets shipped using this mode of transport.

In the Red Sea (entrance to the Suez Canal), the Houthi group's assaults on commercial vessels have sent shockwaves through the global supply chain and international trade. They have forced the world's largest shipping companies to change the routes of their ships. Exacerbating the crisis is the fact that the Panama Canal is also currently experiencing a disruption. Due to the drought, ship traffic in the canal has slowed significantly. The El Niño climate pattern has led to the lowest October precipitation on record in Panama, resulting in a drought that has depleted water levels in the canal. In response, the Panama Canal Authority (ACP) limited the number of vessels passing through the waterway. The daily limit was lowered to 22 ships in December, down from the normal 36 vessels.

The ongoing logistical challenges with the South African ports remain of huge concern. The resignation of the Transnet CEO and other senior executives resulted in much uncertainty within Transnet. Transnet is behind on its time frames for committed projects, especially those relating to repairs and obtaining new equipment. The port infrastructure challenges, coupled with weather delays, will result in major challenges within the port of Cape Town for the coming table grape season. A worrying factor is the R5.7 billion loss that Transnet had announced, as this will have an impact on the infrastructure and productivity within the port.

Year to date 164 604 containers were shipped nationally with perishable products. The container volumes are in line with the PPECB budget. However, the lower volumes of citrus fruit produced within some of the production regions did have a negative impact on container volumes. The floods and rain within the Western Cape negatively impacted some production regions, and export volumes were lost. The challenges experienced within South African ports had created an opportunity for exports to be shipped from Walvis Bay. Many exporters had opted to load/stuff containers in the Northern Cape and truck the containers to Walvis Bay to be shipped.

With South Africa exporting roughly 60% of all fruit produced, the sector's potential for job creation is not limited to primary production but even further down the value chain. This can be in the form of packing and cooling, marketing, various modes of transport, clearing and forwarding service providers or related professional services, among other things.

Access to international markets is paramount for sustainable growth and investments in the agricultural sector. On average, about 55% of the agriculture value-added is generated from the export markets, indicating the importance of accessing the export markets. It is for this reason that negotiating for new export markets while maintaining good trade relations with the existing market has been the strategy and approach of the DoA in the past four years. In 2022, South Africa's agricultural products were exported to more than 189 countries across the world. The country is also an importer of agricultural products, sourcing from more than 141 countries. In the past four years, the DoA has opened the Philippines for citrus, Saudi Arabia and Kuwait for meat, and China and Japan for avocados, just to name a few.

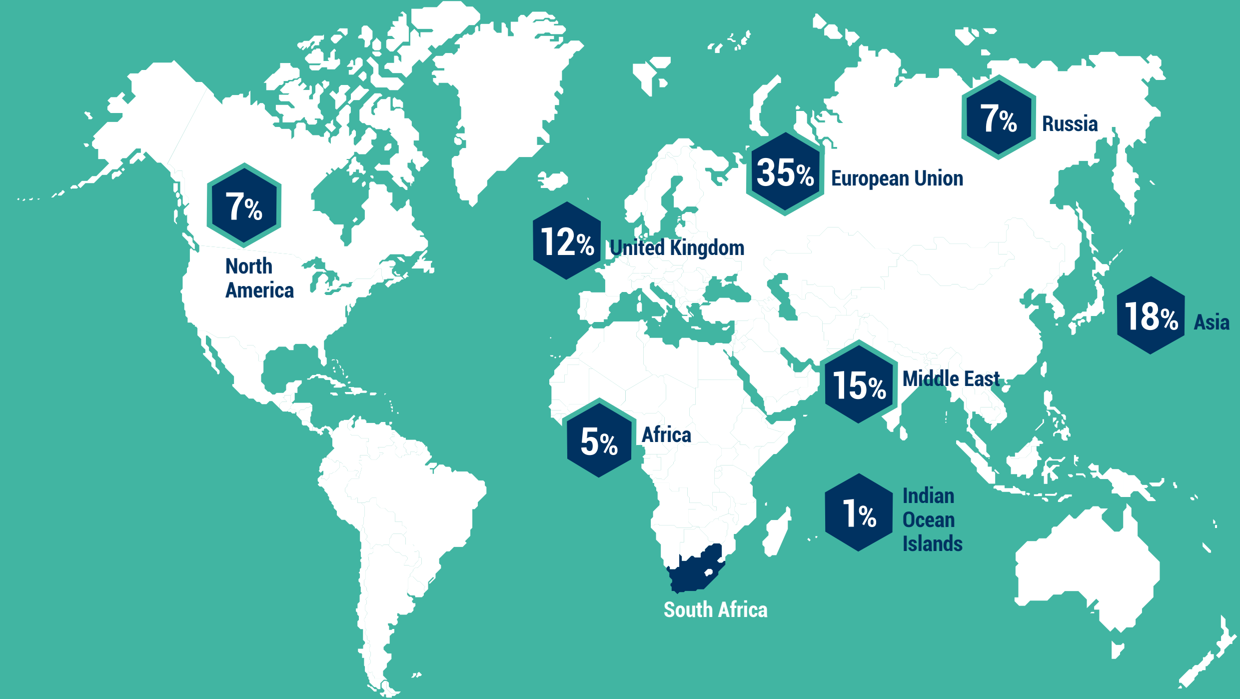
Below is a graphical depiction of perishable produce pallets exported over a five-year period 2019 to 2023, January to December.

From a market perspective, the European Union (EU), excluding the United Kingdom (UK), remains the biggest importer of South African fruit, with 35% during 2023, year to date, which was slightly higher than in 2022. The UK took a further 12% of South African fruit volumes, which is in line with 2022. Based on the reported figures, there were no significant changes in the export patterns from a South African point of view.

With citrus black spot (CBS) still an unresolved issue in the EU, the South African citrus industry remains on high alert. For 2023, South Africa recorded 48 CBS interceptions in the EU, from 29 in the previous year. False codling moth (FCM) became a regulated pest in the EU in 2018, and three interceptions were recorded in the EU in 2023, the same as in 2022. There was no fruit fly interception during this period. The citrus industry had decided to stop all exports to Europe on 15 September 2023. However, the PPECB will continue to conduct inspections and provide cold chain services because no formal communication was received from the DoA. Reports indicate that there was a notable reduction in shipping costs that has assisted in relieving pressure compared to the previous two seasons.

Asia remains a market with huge potential for South African fruit, with 18% of fruit exported to this region during 2023 (year to date), which is 1% lower compared to 2022. The importance of increased market access to this region cannot be overemphasised. This decrease is due to an increase in exports to Europe.

Below is a graphical depiction of the percentage of pallets exported to the major destinations (January - December 2023).



A projected export quantity of 330 000 tonnes of processed products and three million tonnes of total whole maize is estimated for exports for the 2023/2024 marketing season. The year to date national inspected grain volumes are 2.8 million tonnes, against an annual budget of 3 million. The management of the PPECB recently attended the annual general meeting of the South African Cereals and Oil Seeds Trade Association (SACOTA). The PPECB management intends to build closer working relationships with SACOTA and become a member of the association. The supply and demand estimates at the end of September 2023 indicated that 420 000 tonnes of soybeans are estimated for export for the 2023/2024 marketing season. South Africa appears set for another bumper maize crop in 2023/2024, with the planted area expected to be very similar to last year.

During September 2023, export volumes were adversely affected by heavy rains and floods in the Western Cape province, resulting in export volumes decreasing. Most packhouses were affected by the floods and could not continue packing. Inspection and cold chain services were affected due to infrastructure damage to roads and bridges, causing logistical issues and limited access to packhouses for a few days. The grape season was predicted to be dry, with very little rain disruption or damage during the harvesting period. During week 48, there was some rain experienced with very little impact or damage to crops. Week 51 saw 15-20mm of rain with no significant impact experienced, as the majority of the more sensitive cultivars had already been packed.

Global perishable produce exports remained extremely competitive, and non-technical trade barriers (NTBs) became an even greater concern. Protectionism is on the rise, with various countries opting to support their local economies rather than importation. Consumer patterns are changing with a strong focus on quality, affordability, and convenience. South Africa, therefore, needs to differentiate itself by ensuring better quality and delivering to the right markets at the right time. Here, quality inspection standards, speed to market (given all the trade barriers), and export information are critical.

Volumes of major fruit products have seen an upswing over the past years, mainly due to new plantings and new varieties being introduced. Citrus fruit exports have stabilised, and the volume of fruit exported year to date is slightly higher than that of the 2022/2023 season. The growth in volume and stricter market access conditions are expected to put significant pressure on the South African export industry, which contributes around R60 billion to the economy. Furthermore, Grain products (mainly soya beans and maize) continue to show good growth. Volumes of emerging products, like blueberries and macadamia nuts, are expected to increase as they become more popular in eastern markets. These increases will call for urgent additional investment to ensure that the export value chain can cope and that South Africa can remain a reputable exporter of perishable produce worldwide.

The need for increased connectivity and mobility has significantly raised the risk of cyber attacks and data breaches over the last few years. It is, therefore, no surprise that both cyber attacks and data breaches have catapulted to among the top five risks globally, with South Africa having the third-highest number of attacks. This immediately puts the credibility of systems under the spotlight, as data breaches may have far-reaching implications.

It is further believed that the following external factors will shape the business environment over the next three years:

- Client needs;
- Technological advancements;
- A competitive market environment;
- Policy changes;
- An increase in fruit export volumes;
- Information security;
- Change in the world order; and
- Protectionism.

4.2 INTERNAL ENVIRONMENT ANALYSIS

The PPECB is constituted and mandated in terms of the Perishable Products Export Control Act 9 of 1983 (PPEC Act) to perform cold chain services. The PPECB also delivers inspection and food safety services assigned by the Department of Agriculture (DoA) under the Agricultural Product Standards Act 119 of 1990 (APS Act). The presence of the PPECB in the export industry is further enhanced by its recognition as an approved third country under the European Commission Regulation 543 of 2011. This agreement recognises the South African inspection systems as equivalent to those of the EU inspection bodies and, therefore, ensures less frequent checks at the port of import into the EU. The PPECB is guided by the following:

VISION: Enabling our clients to become the preferred suppliers of perishable products worldwide.

MISSION: Empowering our people to execute their mandate to give integrity to their clients' products.

VALUES: Agility, Accountability, Collaboration, Innovation, Integrity, Professionalism.

STRATEGIC OBJECTIVES:
- Enhance the credibility of the South African export certificate;
- Strengthen the PPECB's capacity to provide a professional suite of services to its clients;
- Support the export competitiveness of South African perishable products industries; and
- Contribute to the socio-economic transformation of the agricultural sector.

The PPECB's strategy is driven and executed by four main programmes:

CORPORATE SERVICES PROGRAMME:
This programme operates cross-functionally with the primary aim of delivering professional support services to the whole of the PPECB.

OPERATIONAL SERVICES PROGRAMME:
This programme is responsible for delivering integrated inspection and cold chain services for the export market.

FOOD SAFETY SERVICES PROGRAMME:
The main objective of this programme is to ensure compliance with the regulations that are applicable to the South African standards on food safety and quality.

TRANSFORMATION AND DEVELOPMENT SERVICES PROGRAMME:
This programme is aimed at building capacity through the development of internal and external skills.

In 2019, the PPECB Board approved a business strategy in support of the PPECB's medium-term objectives. The strategy is directed at moving the organisation from simply being a regulator to an enabler. The strategy further supports the PPECB's drive towards digitalisation to create further efficiencies.

Clients expect a consistent and more professional service at the bare minimum. Most clients operate globally, making mobile interaction crucial to the success of their businesses. Over the past few years, clients have also become accustomed to individualised service offerings, online interactions, and the availability of information at their fingertips.

As a regulator of perishable produce destined for export, the PPECB has a national footprint, holds critical export information, and is internationally renowned and ideally positioned to provide its clients with additional service offerings to support the competitiveness of their respective businesses and South Africa as a whole. The PPECB will, therefore, remain relevant and successful as an entity over the next three years by:

Embracing technology to ease interaction and establishing ourselves as the industry leader in the provision of intelligent market information. We will further review our operational model to allow for digitalisation and change in methodologies whilst continuing to ensure compliance. We are committed to improving the overall client experience through innovation and continuous improvement.

The PPECB must adapt its products, services and processes to make them more user-friendly and easier to do business with. We will further introduce more products and services over and above our core services that will increase our overall value proposition to Government and the industry. This will be achieved by the continued development of the mobile technology platform to accommodate all operational modules in both product inspection and cold chain. An integrated ERP system, as well as a centralised Human Capital Suite system to replace the current manual processes, will be introduced.

Both the organisation and individuals will need to place emphasis on continuous skills development. Individuals will need to develop a different set of competencies which will enable them to cope with digitalisation. The competencies needed, therefore, will be a mixed bag consisting of behavioural, technical and practical competencies. This means it will not be enough to only have the knowledge. The application also becomes important. In the rapid reskilling era, unlimited, unrestricted access to learning is becoming the game changer. However, to harness the benefits of this unlimited, unrestricted access to learning, we need to develop into self-directed, agile learners with a strong growth mindset.

The organisational culture required promotes lifelong learning. All generations and types of employees will need to be given the opportunity to upskill themselves. This implies that learning will have to be on-demand, bite-sized and in different formats that can suit all types of learning styles. Employees also need the space to unlearn redundant competencies and re-learn what is relevant for the future.

The PPECB thus needs to evolve, but this cannot be achieved by operating and behaving like an island. Collaboration internally and externally is key, and it is important that the evolution of the PPECB is a journey that includes all its ecosystem members - the DoA, suppliers, clients, service providers such as producers, packhouses, cold stores, exporters and clearing and forwarding agents, processes and services - to move beyond silos and co-create new opportunities for adding value and to innovate. We thus need to create the relevant business platforms as enablers.

To create value for our ecosystem members, we need to do the following as a baseline:

- Increase our infrastructure stability and connectivity;
- Strengthen our Business Intelligence (BI) capacity and knowledge to provide accurate and complete information on time;
- Properly integrate innovation into the business;
- Speed up procurement;
- Properly understand stakeholder needs - internally as well as externally;
- Deliver TITAN 2.0® and ERP on time;
- Ensure seamless integration between PPECB and client systems where possible (ERP, TITAN 2.0®); and
- Discover new business models to deliver services cost-effectively and quickly.

With these enablers in place, more doors will open in future, which will add to the PPECB's future sustainability.

Some of the key outcomes of the PPECB transformation strategy are:

- To increase the number of women in leadership in the PPECB;
- To provide dignified opportunities for people with disabilities to gain skills, qualifications and work experiences; and
- To create opportunities for youth to gain skills, qualifications and work experience in the industry.

To achieve the outcomes, the PPECB will continue with the following programmes:

- Women in Leadership with six candidates;
- People with Disabilities with six candidates; and
- Graduates in business support areas in addition to the Agri Export Technologist Programme (AETP).

The PPECB will also continue with the flagship AETP, which is offered annually to unemployed and disadvantaged agriculture graduates. The 2022 target of 45 was exceeded, with 52 learners graduating with a National Certificate in Agri Export Technology. Upon completion, all learners received further seasonal employment opportunities with the PPECB.

STRATEGIC PROJECTS

TITAN 2.0®
From 1 April 2023 to 31 December 2023, over 242 million cartons (94%) of all the products were inspected on TITAN 2.0® at 1 072 activity points. For the major products, over 236 million cartons (96%) were inspected on TITAN 2.0®. When the citrus season ended, 98% of inspections had been conducted via TITAN 2.0®. There were also significantly high percentages of avocado (95%) and grapes (99%) being inspected on the digital platform. The re-inspection enhancement change, which went live on 15 June 2023, impacts re-inspection at cold stores and depots and allows all cold stores and depots to submit re-inspection requests for inspections not initially conducted at their facilities. In line with this change, the TITAN 2.0® service request module has been enhanced so as not to require PUC, PHC or food safety certificates when the option for re-inspection is selected. A total of 2,232,089 carton re-inspections were done on the TITAN 2.0® platform for the period.

The TITAN 2.0® Sprint Planning Workshop was conducted on 7 December 2023. The prioritisation of change requests was discussed, and during that process, the Electronic Consignment Note was brought forward as a priority to address the printing and signing of consignment notes at packhouse level. The other important change request that will be a priority is the amendment of product inspection information before and after the billing process. Sprint Planning sessions were also conducted in preparation for the three-week sprints. An overall change freeze was effected from 15 December 2023 to 8 January 2024, which applied to all infrastructure and applications within the production environment, during which period limited work was done.

Several late OIS requirements for the integration to the ERP system resulted in a delay in the prioritised changes that were required by business. Monthly Change Champion sessions are held for both Product Inspection and Cold Chain. Business Optimisation is in the process of confirming the Change Champion capacity and the nomination of additional Champions from the regions. The roles of the Champions will be reviewed and aligned with the PPECB Client Support model currently being implemented.

The following achievements were accomplished for the reporting period of 1 April 2023 to 31 December 2023:

- Re-inspection module enhancement;
- TITAN 2.0® product inspection (PI) module and addendum module to pull Master Data from Multichannel Multipoint Distribution Service (MMDS);
- TITAN 2.0® and MMDS integration detail;
- Addendum five-day error;
- Validate that the inspection booking start date is not in the future when an inspection message is sent by the client;
- Remove the link between the pack code and the product;
- Kenya special market for pome fruit;
- Pears to China special market;
- Validation of pallet quantity and carton quantity not to include special characters;
- Increase of orchard field length in e-Addendum;
- Performance issues on Addendum view resulting in delays with the processing of certificates;
- Fruit age on e-Addendum is not validating;
- A fix so that Re-Inspection messages (files) with multiple sequences do not validate the sequencing against the First Inspection data; and
- Update the error messages on product inspection validation when the Tracking Unit Manager (TUM) is not reachable.

The following results were achieved per product on TITAN 2.0® from 1 April 2022 to 31 December 2023:

Product	Batch	TITAN 2.0®	% TITAN 2.0®
Avocados	511 095	9 730 879	95.01
Citrus fruit	3 984 524	166 946 546	97.67
Grapes	260 018	18 724 323	98.63
Mangoes	65 167	235 992	78.36
Litchis	142 940	235 635	62.24
Other fruit	4 441 757	5 891 684	57.02
Pome fruit	4 531 153	32 864 423	87.88
Stone fruit	387 439	7 815 298	95.28
Grand Total	**14 327 093**	**242 444 785**	**94.42**

56 486 Electronic Export Certificates were processed on the TITAN 2.0® platform for the period 1 April 2023 to 31 December 2023. The previous year, for the same period, there were 6 659 certificates processed electronically, which is an increase of 49 827 certificates. This number exceeds the total number of certificates that were processed for the entire 2022/2023 financial year (14 431). Most of the certificates were processed for citrus, and that amounts to 50 064 electronic certificates. Some challenges were experienced with production areas, size/count validations, slowness of the system in processing electronic addendums, and split pallet information. However, all these matters were investigated, and solutions were implemented to address these challenges. The first electronic certificates were also processed in the Gauteng and Grabouw regions. With the deciduous season commencing, year to date 5 466 certificates were processed electronically for pome fruit, stone fruit, and grapes, compared to 1 991 for the same period during the previous financial year.

TITAN 2.0® ELECTRONIC EXPORT CERTIFICATES

Region	Electronic Certificates
Cape Town Airport Office	33 669
Durban Office	8 019
Paarl Area Office	5 444
Gqeberha Office	9 154
Gauteng	162
Grabouw	38
TOTAL	**56 486**

CONTAINER INSPECTIONS
Enhancements were made to the container inspection module to align with the new financial system (ERP) for seamless billing. The weekend and public holiday change request was approved, and the stories were completed. The stories will be in development in early January. The TITAN 2.0® team have commenced internal user acceptance testing to determine the functionality of release two (pre-trip, dual and calibration inspections). Thus far, very positive results have been obtained, and all functionalities are working well. Once the weekend and public holiday story is deployed into production, we can review going fully live with the container inspection module.

EXPORT NOTIFICATION (EN)/CONTAINER LOADING
A total of 98% of all containers packed in the Northern Cape were done on the TITAN 2.0® platform. The containers were electronically booked by the forwarding agents and also electronically loaded by the Assessors. The enhancement of the Assessor working programme was commissioned, and the enhancement of the Lead Assessors working programme is a work in progress. A task team has been established to review the requirements for non-food business operators to utilise TITAN 2.0®.

COLD STORAGE INSPECTIONS
The development for this module commenced.

ORGANISATIONAL LINKING
Non Food Business Operators (FBOs) cannot currently utilise TITAN 2.0®. The current organisation linking and registration module only caters to clients with FBOs and inspects and exports regulated products under the APS Act. Clients exporting perishable products, such as marine, meat, and confectionery products, under the PPEC Act cannot currently make use of the TITAN 2.0® application. A newly launched architectural forum, comprising representatives from all departments, was launched to review complex matters cutting across all departments. It is envisaged that the requirements for this change are major and will take a few months to develop and deploy.

ENTERPRISE RESOURCE PLANNING (ERP)
The PPECB has initiated the introduction of an Enterprise Resource Planning (ERP) system to replace its legacy NAVISION system. The ERP software selected is Microsoft Dynamics 365. With the implementation of the software, the PPECB seeks to create further process efficiencies and an enhanced customer experience.

The implementation took place in two phases. Release 1 was successfully implemented on 15 November 2022, and these were mainly the financial modules of D365. Release 2 went live on 10 August 2023 and consisted of the more transactional operational items of D365, including the time and expense module for all employees to capture their own time and expense claims, thereby reducing the capturing burden on administrative employees.

The ERP will allow the PPECB to:

- Automate and integrate business processes and data to bring about efficiencies in how to get work done and how to centrally enter, access, and manage data;
- Integrate systems to meet client expectations of a consistent and professional service;
- Improve business intelligence and reporting capabilities; and
- Improve the experience of customers, partners and vendors.

The challenges affecting the business are a combination of system and user issues. Many of the user issues have stabilised, as evidenced by the drop in the volume of support calls logged per day. However, the system challenges have remained. These are currently being tackled systematically in the order of priority, where issues hindering billing are the top priority, followed by issues that could cause reputational damage, then enhancements that will minimise capturing errors, and finally, the list of post-go-live enhancements. Information was requested from the regional managers regarding the challenges experienced by the employees that relate to the Time and Expense process for both completion and approval. A working group was established, and a meeting was set up with Altron Karabina (AK) to discuss the enhancements on 18 December 2023. AK will investigate the proposed changes, and feedback will be provided to the working group.

IMPACT OF COVID-19 ON THE PPECB
South Africa moved out of the fourth wave of COVID-19 in January 2022. As of 23 June 2022, the South African Government did away with the remaining COVID-19 restrictions. In South Africa, from 3 January 2020 to 19 December 2023, 4 072 636 confirmed cases of COVID-19 and 102 595 deaths were reported to the World Health Organisation (WHO). As of 24 September 2023, 41 798 812 vaccine doses have been administered.

Employees continue to operate remotely with a minimum requirement of two days in the office, and they can also wear PPE if and when required.

For that reason, as of 31 December 2023, the organisation has incurred expenditure of R167 000. The expenditure is indicated below:

COVID-19 Expenditure	Year to date (R's thousand)
Medical and essential PPE (COVID-19)	0
Courier costs (COVID-19)	0
Deep cleaning (COVID-19)	167
TOTAL	**167**

The PPECB will continue to scan the environment. Where necessary, projects will be re-prioritised to ensure that the organisation remains financially sustainable. The PPECB will also persist with its people-first approach to safeguard our people against any resurgence of the pandemic.

PART C: MEASURING OUR PERFORMANCE

1 INSTITUTIONAL PERFORMANCE INFORMATION

The focus of performance over the medium term will be on continued service delivery without compromising the integrity of product quality and continued contribution towards social responsibility, including performing technical research and development, providing training and assistance to previously disadvantaged individuals and smallholder farmers, and focusing on establishing a professional and well-trained employee complement that can add value to the perishable export industry.

The priority area of the Statutory Operations programme will be to increase the capacity of the workforce to be multi-skilled, competent, consistent, and uniform in its inspection activities.

The PPECB will continue to develop its mobile platform to conduct electronic export certification and introduce an integrated ERP system. The use of technology will create cost efficiencies in replacing the paper-based inspection/verification approach.

Performance will be monitored and managed through a system of relevant targets and metrics, leading indicators, data-enriched information and dialogue with stakeholders.

2 IMPACT STATEMENT

The PPECB is an independent service provider of quality assurance, food safety and cold chain services appointed by the Department of Agriculture (DoA) to ensure the orderly export of perishable products and improve our customers' competitiveness in the international market. In addition, the PPECB aims to contribute to Priorities 2 and 7 of the National Development Plan (NDP), namely Economic Transformation and Job Creation and A Better Africa and World.

3 MEASURING OUR OUTCOMES

3.1 EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD

The organisation will remain focused on delivering efficient customer service and strengthening relationships with stakeholders locally and abroad. The PPECB will also persist with its consolidation strategy and seek to place greater reliance on systems and technology to enhance service delivery over the medium term. The organisation further remains committed to delivering services with integrity and professionalism, and given the current economic landscape, the PPECB will pay specific attention to managing and controlling expenditure without compromising service delivery.

To create value for our ecosystem members, we need to strengthen our capabilities on:

- Increasing our infrastructure stability and connectivity;
- Strengthening our BI capacity and knowledge to provide accurate and complete information on time;
- Properly integrating innovation into the business;
- Properly understanding stakeholder needs - internally as well as externally;
- Delivering TITAN 2.0® and ERP on time;
- Ensuring seamless integration between PPECB and client systems (ERP, TITAN 2.0®); and
- Discovering new business models to deliver services cost-effectively and quickly.

With these enablers in place, more doors will open in future, which will add to the PPECB's future sustainability.

MTSF PRIORITY	PRIORITY 1: ECONOMIC TRANSFORMATION AND JOB CREATION		
Outcomes	Outcome Indicators	Baseline	Five-year target
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Customer satisfaction rating based on a percentage	80%	80%
Contribute to the socio-economic transformation of the agricultural sector	Number of previously disadvantaged individuals upskilled through the PPECB's AETP and transformation initiatives in the agricultural sector	238	400

MTSF PRIORITY	PRIORITY 7: A BETTER AFRICA AND WORLD		
Outcomes	Outcome Indicators	Baseline	Five-year target
Enhance the credibility of the South African Export certificate	Zero markets closed as a result of poor quality and food safety non-compliance	0	0
Support the export competitiveness of South African perishable product industries	Number of export certificates processed via the electronic platform	60 000	100 000

4 KEY RISKS AND MITIGATIONS

Outcomes	Key Risks	Risk Mitigations (current controls and actions)
Strengthen the PPECB's capacity to provide a professional suite of services for its customers	Failure to achieve customer-centric/enabling culture and behaviours to promote positive performance	• Approved and implemented Change Management Strategy • Approved and implemented New Business Strategy • Equip leaders through the Leadership Development Programme (LDP) • Coaching and mentoring initiatives • Utilising existing forums to raise continuous awareness and to ensure satisfaction of internal and external clients (People Connect Sessions, MANCO, TES, EXCO, pre-season meetings; regional Customer Satisfaction Survey [Q78]) • Employee wellness sessions • Remote working guidelines • Annual Culture Survey • Annual Customer Satisfaction Survey • Claim form to be completed by complainant when claim arises • Purpose has been defined • Reinforce a high-performance culture • Training/re-training on compliance to work instructions and actions to be taken against responsible employee following investigation to mitigate against risk of claims. • Implementation of updated PPECB values relevant to the new business strategy • Additional benefits for identified critical and scarce skills • Action plans were drafted and updated by management and EXCO - the Board was informed • Implementation of Customer Support Model
Strengthen the PPECB's capacity to provide a professional suite of services for its customers	Increased risk of cyber attacks and information security threats	• Monthly patch management for Windows, servers and desktops being conducted and remedial action applied • Monitoring of antivirus and firewall, ensuring reports are being checked and implemented • Password management • Internet lockdown • Firewall rules have been reviewed quarterly, and contracts have been reviewed • Monthly vulnerability scanning • Continuous monitoring of backup systems (move to action) • ICT policies in place (awareness), specifically ICT Control of Access policy, which regulates access control and storing of information. Acceptable Use policy which regulates use of VPN and Wi-Fi • Appointed cybersecurity officer who reviews security measures. • User and device registration process • Incident response

Outcomes	Key Risks	Risk Mitigations (current controls and actions)
Support the export competitiveness of South Africa's perishable products industries	Disruption of PPECB services due to industrial action and declining South African infrastructure, i.e. ports, rolling blackouts, drought and internet connectivity	• The PPECB distributes weekly container inspection statistics to industry • The PPECB supplies statistics around fruit age to the DoA and industry as required • Provision of resources for 24-hour container loading • COO on advisory logistical FPEF committee • Weekly meetings between the PPECB/the DoA/Transnet/CGA/depots/cold stores/shipping lines to discuss process and alternate shipping opportunities • Monitoring oversight of operational activities • Implementation of UPS backup power for ICT equipment (implementation of identified site UPS on HC operational register) • Geographical spread of products lessens the impact of the drought
Support the export competitiveness of South Africa's perishable products industries	Sustainability and Inflexibility of current operating model and associated legislation may adversely impact costs (under) recovery and operational resilience	• Implementation of Laboratory turnaround strategy • Effective resource planning and proper budget planning prior to budget cycle in alignment with ICT asset management and licensing (annual) • Data governance forum and policy • Review of costing/funding model pending implementation of a reliable data source • Ongoing review of the business operating model to create efficiencies (dependent on costing/funding model) • Assist the DoA and industry with market access initiatives • High-value asset committee • Verification done at monthly asset management meetings to verify number of assets against issued assets
Strengthen the PPECB's capacity to provide a professional suite of services for its customers Enhancing the credibility of the export certificate	Unsuccessful implementation of ERP adversely impacting the PPECB's ability to deliver business value, system integration and collate business intelligence	• Steering committee oversight over ERP (Microsoft Dynamics software, excluding HCM) and Road Map, which includes Gartner/Internal Auditors to ensure successful implementation • Internal project management processes and governance in place • Internal auditors appointed to provide assurance on implementation and quality • Cloud Service Provider Agreement • Business Analysts recruited to document AS-IS processes and measures for Benefit Realisation • Master Data assurance project and data governance forum to ensure alignment between ERP, TITAN 2.0®, and NAV for key operational components • Appointment of an ERP Implementation Partner • Develop ERP implementation project plan with milestones • Actions are managed through project risk management and monitored by Steerco and material risks will be elevated to the Strategic Register through RISCO as necessary • Staggered go-live approach; actions and consequences are monitored by Steerco • Steerco meetings held and service provider on site (War Room) to assist with resolving billing and data issues
Strengthening the PPECB's capacity to provide a professional suite of services for its customers	Non-compliance with the APS mandate, PPEC Act, POPIA, Competitions Act and other legislation and ability to respond to mandate changes that may adversely impact people, process and reputation	• The Board is the accounting authority that provides oversight • Operations workforce resource planning ensures effective and efficient delivery of core services and processes • Supplier development programme • The DoA conducts audits on regulatory processes • Automation of controls in ERP system complies with certain legislation, governance measures/regulatory standards • Internal and external audits (ISO, financial, etc.) (External audits are annual and internal audits according to agreed audit plans/ad hoc audits upon request) • Approval of updated regulations to the current PPEC Act • Creating awareness of Asset Management policies and Consequence Management
Strengthen the PPECB's capacity to provide a professional suite of services for its customers Enhancing the credibility of the export certificate	Transfer of PPECB functions to the Border Management Authority in so far as it relates to border management functions	• Obtaining sign-off of Implementation Protocol
Strengthen the PPECB's capacity to provide a professional suite of services for its customers	Unsuccessful implementation of Human Capital Management Suite	• Signed Oracle contract for implementation of the HCM • Finalisation of Project Plan with timeframes • Actions are managed through project risk management and monitored by Steerco and material risks will be elevated to the Strategic Register through RISCO as necessary

PART D: TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 1: CORPORATE SERVICES

INDICATOR TITLE	Procuring from B-BBEE suppliers as % of total procurement spend
Definition	Procurement from B-BBEE Suppliers
Source of data	D365 Procurement Spending per Supplier Category
Method of calculation	Rand value procured from B-BBEE suppliers as a % of total procurement value
Means of verification	Automated report was tested for accuracy on implementation
Assumptions	All suppliers are correctly categorised on D365
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	Achieve the targeted % of procuring goods from B-BBEE suppliers
Indicator responsibility	CFO/Procurement Manager

INDICATOR TITLE	Actual General Reserve as % of Required Reserve
Definition	Actual General Reserve as % of Required Reserve to sustain operating activities
Source of data	Financial Statements
Method of calculation	Reflect the Actual General Reserve Balance against Budgeted Trial Balances
Means of verification	As per D365 Financial Statements, which are audited at the end of a financial year
Assumptions	None
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Achieve the budgeted reserve level, which is supported by an actuarial valuation and approved by the Board
Indicator responsibility	CFO/Financial Accountant

INDICATOR TITLE	Asset Turnover Ratio
Definition	The efficiency with which assets are used to generate income
Source of data	Financial Statements
Method of calculation	Reflect the Actual General Reserve Balance against Budgeted Trial Balances
Means of verification	As per D365 Financial Statements, which are audited at the end of a financial year
Assumptions	Fixed Assets are acquired as per procurement plan
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	The assets of the PPECB are efficiently used to generate income
Indicator responsibility	CFO/Financial Accountant

INDICATOR TITLE	Rand value on ESD spend
Definition	Rand value invested in the development of B-BBEE suppliers.
Source of data	Transactions processed in D365
Method of calculation	Total rand value of expenses that meet the criteria of ESD
Means of verification	Verify with Trial Balance
Assumptions	All ESD transactions are approved and correctly allocated
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Achieve the ESD spending on B-BBEE suppliers
Indicator responsibility	CFO/Procurement Manager

INDICATOR TITLE	Organisational customer satisfaction index measured annually as a %
Definition	Reporting on the percentage of customers who are satisfied with the service provided by the PPECB
Source of data	The data is gathered from the annual Customer Satisfaction Survey conducted by the Marketing and Communications Manager
Method of calculation	Respondents to the Customer Satisfaction Survey are asked to rate the PPECB's customer service levels on a scale of 1% to 100%. The percentages are then averaged to obtain the final score
Means of verification	Customer Feedback Survey
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	Performance which is higher than the target is desirable as this means that the clients are satisfied with the PPECB's performance
Indicator responsibility	Marketing and Communications Manager

PROGRAMME 2: OPERATIONAL SERVICES

INDICATOR TITLE	Number of export certificates processed via the electronic platform
Definition	Number of export certificates that are processed via the PPECB electronic TITAN 2.0® platform
Source of data	Monthly report from the PPECB mobile technology system
Method of calculation	Number of export certificates submitted for approval on a monthly basis via the PPECB electronic platform
Means of verification	TITAN 2.0® (mobile application) compared to system-generated report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Desired performance is to achieve the targeted number of export certificates processed electronically for the fiscal year
Indicator responsibility	General Managers: Operations/Application Development Manager

INDICATOR TITLE	Number of container inspection conducted via the TITAN 2.0® platform
Definition	Percentage of container inspections conducted using TITAN 2.0®
Source of data	Monthly report from the PPECB mobile technology system
Method of calculation	Number of container inspections conducted using TITAN 2.0® divided by the total number of container inspections for a financial year
Means of verification	TITAN 2.0® (mobile application) compared to system generated report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Desired performance is to achieve the targeted percentage of containers inspected on TITAN 2.0® for the fiscal year
Indicator responsibility	General Managers: Operations

PROGRAMME 3: FOOD SAFETY SERVICES

INDICATOR TITLE	Number of tests carried out during sample analysis using accredited methods
Definition	Samples analysed for testing as per the DoA mandate for pesticides, mycotoxins and compositional dairy testing for export and the local market
Source of data	Through the Laboratory Information Management System (LIMS), sample information from tracking numbers to tests conducted are captured and recorded on a daily basis
Method of calculation	Volumes of samples analysed for different tests are counted by the LIMS automatically as received at sample reception
Means of verification	LIMS
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	A higher-than-target performance is preferred, as increased samples analysed for testing are indicative of compliance with food and feed safety regulations and may also be indicative of increased exports
Indicator responsibility	Laboratory Manager

INDICATOR TITLE	Number of food safety audits conducted
Definition	Reporting on the number of Export Food Business Operators who were SAGAP (R707) certified in a quarter
Source of data	The data is gathered from the Food Safety Programme which issues the Certificates
Method of calculation	A count of the number of Food Safety Certificates issued in a quarter to Exporting Food Business Operators
Means of verification	Food Safety Audit Reports
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that oversight is increasing
Indicator responsibility	Programme Manager: Food Safety

PROGRAMME 4: TRANSFORMATION AND DEVELOPMENT SERVICES

INDICATOR TITLE	Number of students graduated through the Agri Export Technologist Programme (AETP) annually
Definition	This is the number of people who fulfil all the requirements of the learnership and are then awarded an NQF Level 5 qualification after their Portfolios of Evidence have been assessed and moderated
Source of data	Certificates issued by SETA
Method of calculation	The indicator is calculated by stipulating the number of students graduated (who successfully meet the final requirements of the learnership)
Means of verification	AgriSETA Certificates
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	All registered students graduate after course completion and get employment in the sector
Indicator responsibility	Learning and Development Manager

INDICATOR TITLE	Number of Graduate Placements
Definition	Reporting on the number of graduate placements provided by the PPECB Support Services to provide workplace exposure to unemployed youth (previously known as internships)
Source of data	The data is collected from the ATS and Payroll systems
Method of calculation	A count of the number of graduate placements
Means of verification	The applicant data is collected from the ATS and employment data from the payroll systems and reconciled into a report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Increasing the number of graduate placements (previously known as internships) provided by the PPECB Support Services provides a qualified talent pool for Support Services in addition to providing workplace exposure to unemployed youth and contributing to job creation. The PPECB has made a number of successful placements from this programme over the past five years
Indicator responsibility	Human Capital Executive

INDICATOR TITLE	The number of smallholder farmers trained
Definition	The number of smallholder farmers trained by the PPECB
Source of data	Attendance registers completed by farmers during training sessions
Method of calculation	Adding together all the farmers who attended training sessions during a quarter across all registers
Means of verification	Attendance registers
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that more smallholder farmers have an awareness of post-harvest activities
Indicator responsibility	Organisational Development and Transformation Manager

INDICATOR TITLE	Number of smallholder farmers certified for export
Definition	Reporting on the number of smallholder farmers who attained SAGAP (R707) certification in a quarter
Source of data	The data is gathered from the Food Safety Programme which issues the certificates
Method of calculation	A count of the number of certificates issued in a quarter to smallholder farmers
Means of verification	SAGAP Certificates
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that more smallholder farmers have gained market access
Indicator responsibility	Organisational Development and Transformation Manager

INDICATOR TITLE	Percentage of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent
Definition	Reporting on the percentage of permanent Inspectors and Assessors evaluated as competent by an independent Learning and Development Product and Cold Chain Specialist within a four-year cycle. The organisation sets a targeted percentage based on the desired competency levels and the default risk tolerance manageable internally. A count of the number of individuals evaluated is now reported
Source of data	The data is gathered from specialists within the Learning and Development department, which has a national footprint in all the PPECB regions. A seasonal plan is followed, and the competence status of the inspectorate reported quarterly
Method of calculation	The number of technical professionals evaluated as competent expressed as a percentage of the total number of technical professionals
Means of verification	Evaluation report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that the inspectorate is better equipped to fulfil its mandated and market access responsibilities
Indicator responsibility	Learning and Development Manager

ORGANISATIONAL PERFORMANCE REPORT

ANNUAL REPORT
2024/2025

PART 06

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ORGANISATIONAL PERFORMANCE REPORT

The Perishable Products Export Control Board's (PPECB's) strategy is driven and executed by four main programmes.

PROGRAMME 1: CORPORATE SERVICES

The Corporate Services Programme operates cross-functionally, with its primary aim being to deliver professional support services and strategic leadership to the whole of the PPECB. The programme further plays an essential role in ensuring coherence among the respective business units within the PPECB.

Purpose

The purpose of the programme is to support, provide direction and leadership, instil corporate discipline and promote the services of the PPECB.

PROGRAMME 2: OPERATIONAL SERVICES

The Operational Services Programme is responsible for delivering integrated laboratory, inspection, and cold chain services for the export market.

Purpose

The purpose of the programme is to ensure mandate compliance and to deliver an effective and efficient service to all PPECB stakeholders. The programme is further committed to ensuring the achievement of the PPECB's strategic objectives.

PROGRAMME 3: FOOD SAFETY SERVICES

Food Safety refers to the assurance that food will not cause harm to the consumer when it is prepared and/or eaten according to its intended use. Section 2(1) of the Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 prevents any person from placing into international trade any food that is unfit for human consumption. The Agricultural Products Standards Act 119 of 1990 (APS Act) controls and promotes specific product quality standards for the local market and for export purposes. It is administered and enforced by the Directorate: Food Safety and Quality Assurance in the Department of Agriculture (DoA). With respect to food safety, the PPECB has been appointed and authorised to conduct Food Safety audits (Regulation 707), test groundnuts for aflatoxins (Regulation 1145 tolerance for fungus-produced toxins in foodstuffs) and conduct compositional testing of dairy products (Regulation R2581 relating to dairy products and imitation dairy products) destined for the export market.

Purpose

The purpose of this programme is to ensure compliance with standards regarding food hygiene and food safety as promulgated in Notice 707 of 13 May 2005. This is in line with the following European Commission (EC) directives: EC 178/2002 and EC 1525/1998, including the relevant Codex principles. The intent is to enable South Africa's continuous penetration of international markets and therefore increase its market share with regard to safe and quality foods.

PROGRAMME 4: TRANSFORMATION AND DEVELOPMENT SERVICES

The Transformation and Development Services Programme is aimed at building capacity through the development of internal and external skills.

The programme focuses on the following:

Graduate Placements, Internships and Learnerships

The PPECB offers a learnership at National Qualification Frameworks (NQF) Level 5, exposing learners to the post-harvest agricultural value chain and providing them with a head start in advancing themselves professionally in this sector. The learnership programme is provided in partnership with the DoA and the AgriSETA.

In collaboration with the AgriSETA, the PPECB provides job exposure in fields like ICT, Finance, Human Resources, and Marketing to unemployed graduates. The PPECB also provides opportunities for students studying agriculture-related qualifications by offering workplace exposure, which contributes to the final requirement for the students graduating.

Youth, women, and people with disabilities are given opportunities through internships and learnerships in the organisation's programmes.

Internal Capacity Building

With regard to internal stakeholders, the focus is on women and youth empowerment. Leadership Development initiatives are in place to ensure that women are accelerated so that they can assume leadership roles, as these are currently predominantly occupied by their male counterparts. The PPECB has also developed a Talent Framework to ensure that there is a focus on the development of women. The PPECB is striving to be a learning institution and is leveraging technology to ensure that the training provided meets the needs of the modern generation. The Learning Management System hosts online onboarding and other learning material used for supervisory and management development as part of a blended learning approach, which reduces face-to-face classroom time and augments time in the field for operational employees.

Internal development focuses on women, developing youth with potential, as well as youth with disabilities. Over and above training, coaching, and mentoring provided to our internal stakeholders, we also have a dedicated programme to ensure uniform interpretation and consistent application of standards during the execution of product inspections, cold chain functions, and food safety audits. The Harmonisation Specialists aim to mitigate the risks of incorrect decision-making during inspections and cold chain functions, enhancing confidence levels of employees and associated clients during service delivery.

Both the organisation and individuals must place emphasis on continuous skills development. Individuals will need to develop a different set of competencies which will enable them to cope with digitalisation. The competencies needed, therefore, will be a mixed bag consisting of behavioural, technical, and practical competencies. This means it will not be enough to only have the knowledge; application also becomes important. In the rapid reskilling era, unlimited and unrestricted access to learning is becoming a game changer. However, to harness the benefits of this unlimited and unrestricted access to learning, we need to develop into self-directed, agile learners with a strong growth mindset. The organisational culture required is one that promotes lifelong learning. All generations and types of employees will need to be given the opportunity to upskill themselves. This implies that learning will have to be on demand, bite-sized and in different formats that can suit all types of learning styles. The policies and procedures that are put in place should encourage unlimited and unrestricted access to learning. Innovation should be encouraged, and people should be allowed to explore, experiment, and fail without fear of being punished. Employees also need space to unlearn redundant competencies and relearn what is relevant for the future.

Smallholder Farmer Development

The Learning and Development department's services aim to expose smallholder farmers to food safety, good agricultural practices, responsible use of pesticides, cold chain management and product quality training in preparation for food safety certification and market access.

Development initiatives are run on a collaborative basis with the DoA and provincial departments of agriculture and service all provinces in South Africa. Collaboration not only extends to sister state-owned enterprises but also to commercial development partners.

VIEW ONLINE

ORGANISATIONAL PERFORMANCE - APRIL 2024 - MARCH 2025

Programme 1: Corporate Services			Actual Performance		Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Reasons for Deviations
Outcome	**Output**	**Output Indicators**	**2022/2023**	**2023/2024**	**2024/2025**	**2024/2025**		
Contribute to the socio-economic transformation of the agricultural sector	Transformed Business to allow black business to participate in SA economy	% of money spent on B-BBEE suppliers	95%	87%	80%	87%	7%	The target of 80% was exceeded by 7% for Quarter 4 (Q4). This was due to a positive spend increase on B-BBEE compliant suppliers that are generic, 30% Black-Women-Owned and 51% Black-Owned. A total of 285 suppliers,out of the 355 Q4 active suppliers, are B-BBEE compliant. There was an 8% overall decrease from Quarter 3 (Q3) to Q4 due to an increased spend on the international and Laboratory suppliers who are B-BBEE non-compliant.
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Financial Sustainability	Actual General Reserve as % of Required General Reserve	-	-	66%	49%	-17%	The financial year-end shortfall (deficit) and various reserve adjustments are allocated against the General Reserve Fund Balance.
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Financial Sustainability	Asset Turnover Ratio	-	-	2.96	2.20	-0.76	ICT and technical equipment were purchased to replace older assets, which is still in the process of issuance and disposal.
Contribute to the socio-economic transformation of the agricultural sector	Transformed Business to allow black business to participate in SA economy	Rand value on ESD spend (R'million)	-	-	R2.10	R2.34	R0.24	The target for Enterprise Development was met. Key focus will be placed on the Supplier Development (SD) component.
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Informed and Satisfied Stakeholder Base	Organisational customer satisfaction index measured annually as a %	89%	90%	80%	90%	10%	This is an annual target and the actual output achieved was 90%.

Programme 2: Operational Services			Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for Deviations
Outcome	**Output**	**Output Indicators**	**2022/2023**	**2023/2024**	**2024/2025**	**2024/2025**		
Support the export competitiveness of the South African perishable products industries	Efficient service delivery through client subscriptions on e-platforms	Number of export certificates processed via the electronic platform	-	-	60 000	110 961	50 961	There was a further uptake during Q4 due to the start of the deciduous season and citrus exported to the European Union, which is required to be processed electronically. This contributed to 64% of the total export certificates. In addition, new clients adopted the electronic certification platform, and there was a drive to process more products through this system.
		% of container inspections conducted via the TITAN 2.0®	-	-	80%	63%	-17%	The cumulative KPI of 80% for container inspections was not met due to a combination of system, operational, and readiness-related challenges. These are outlined below: System development and deployment delays; Commissioning of New Depots; Container depot readiness; and Initial Go Live Field Challenges.

Programme 3: Food Safety Services			Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for Deviations
Outcome	**Output**	**Output Indicators**	**2022/2023**	**2023/2024**	**2024/2025**	**2024/2025**		
Enhance the credibility of the South African Export Certificate	Confidence in SA Food Safety Assurance systems	Number of tests carried out during sample analysis using accredited methods	19 575	18 500	20 000	20 611	611	Maximum Residue Limit volumes were slightly lower than budgeted (92%) mainly due to lower citrus export volumes as producers preferred the local juice market over export. Dairy sample volumes were lower than budgeted (86%) due to the Foot and Mouth Disease (FMD) outbreak in the Eastern Cape province, which resulted in suspended exports. Additionally, the Mycotoxin Analytical Programme received low volumes (79%), although an exceedance of moisture (144%) was recorded against the budget. The Fats Analytical Programme met the target of 100%.
		Number of food safety audits conducted	1 036	1 000	1 050	1 209	159	More ad-hoc audits were conducted due to the suspension of a commercial certification body.

PART 06 Organisational Performance

Programme 4: Transformation and Development Services			Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for Deviations
Outcome	Output	Output Indicators	2022/2023	2023/2024	2024/2025	2024/2025		
Contribute to the socio-economic transformation of the agricultural sector	Capacity Building	Number of students graduated through the Agri Export Technologist Programme (AETP) annually	52	48	50	53	3	Additional learners were recruited as a contingency for possible attrition of five. (Actual attrition during the period was only two.)
	Capacity Building	Number of graduate placements	-	-	8	9	1	The total number of graduate placements achieved for Q4 was nine. Four additional graduates were recruited in Q4 and in Q3 two graduates, who were accounted for, were absorbed.
	Market Access	Number of smallholder farmers certified for export	105	80	60	134	74	44 farmers were certified mainly in the Northern and Eastern Cape. The majority are raisin and vegetable producers, with the Northern Cape producers exporting raisins and the vegetable producers active in local markets.
	Capacity Building	Number of smallholder farmers trained	721	500	600	839	239	62 farmers were trained in Q4, with the majority in the North West and some in KwaZulu-Natal. The North West signed the renewed MOU and had four workshops during this period.
	Competent employees	% of permanent technical professionals (Inspectors and Assessors) evaluated as technically competent	98%	92%	92%	95%	3%	The reported KPI was based on permanent inspectors working on the product, with the percentage of the KPI calculated on the combined number of inspectors and assessor's competent versus those who were not yet competent. The KPI was exceeded due to low employee turnover and the appointment of permanent inspectors who already had the required competency.

ANNEXURE A: STATEMENT OF RESPONSIBILITY

Statement of accuracy and confirmation of accuracy of the Annual Report

To the best of my knowledge and belief, we confirm the following:

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the external auditors.
The annual report is complete, accurate and free from any omissions.
The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
The Annual Financial Statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) applicable to the public entity.
The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.
The accounting authority is responsible for establishing and implementing a system of internal control, which has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2025.

Yours faithfully

MR LUCIEN JANSEN
Chief Executive Officer

MS BONGIWE NJOBE
Chairperson of the Board

ANNEXURE B: GLOSSARY OF ACRONYMS AND ABBREVIATIONS

ACP	Autoridad del Canal de Panama (ACP)
AETP	Agri Export Technologist Programme
AGSA	Auditor General of South Africa
AI	Artificial Intelligence
AK	Altron Karabina
APAP	Agricultural Policy Action Plan
APHIS	Animal and Plant Health Inspection Services of USDA
API	Application Programming Interface
APN	Access Network Point
APP	Annual Performance Plan
APS	Agricultural Product Standards Act
ARC	Agricultural Research Council
ASTI	Accelerated Skills Transfer Interventions
B2C	Business to Consumer
B-BBEE	Broad-Based Black Economic Empowerment
BCP	Business Continuity Plan
BLE	Federal Office for Agriculture and Food
BI	Business Intelligence
BMA	Border Management Authority
BRC	British Retail Consortium
BREXIT	British exit from the European Union
BRICS	Brazil Russia India China South Africa
CAPEX	Capital Expenditure
CBS	Citrus Black Spot
CCA	Cold Chain Association
CGA	Citrus Growers Association
CLA	Corporate LAN Advertising
COBIT	Control Objectives for Information and Related Technologies
COVID-19	Coronavirus
CPUT	Cape Peninsula University of Technology
CRI	Citrus Research Institute
CSI	Corporate Social Investment
DAP	Dairy Analytical Programme
DoA	Department of Agriculture (previously DALRRD - Department of Agriculture, Land Reform and Rural Development)
eAddendum	Electronic Addendum
eCert	Electronic Certification
EC	European Commission
EN	Export Notification (TITAN 2.0® cold chain)
EME	Exempted Micro Enterprises
ERP	Enterprise Resource Planning
ESD	Enterprise and Supplier Development
ESG	Environmental, Social and Governance
EU	European Union
EWP	Employee Wellness Programme
EXCO	Executive Committee
FAP	Fats Analytical Programme
FBO	Food Business Operator
FCM	False Codling Moth
FFA	Free Fatty Acid
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
Global GAP	Global Good Agricultural Practices
GRAP	Generally Recognised Accounting Practice
HACCP	Hazard Analysis and Critical Control Point
HCMS	Human Capital Management System (MyHC)
HICS	Horticulture Industry Code Standardisation
IASB	International Accounting Standards Board
ICT	Information and Communication Technology
FPA	International Fresh Produce Association
IMF	International Monetary Fund
IODSA	Institute of Directors
SAIPSAS	International Public Sector Accounting Standard
IRBA	Independent Regulatory Board for Auditors
ISA	International Standards of Auditing
ISO	International Standard Organisation
ITIL	Information Technology Infrastructure Library
KCB	Kwaliteits Controle Bureau
KPA	Key Performance Areas
KPI	Key Performance Indicator
LDP	Leadership Development Programme
LIMS	Laboratory Information Management System
LOR	Lower Orange River
MAFF	Japanese Ministry of Agriculture, Forestry and Fisheries
MANCO	Management Committee
MAiP	Microbiology Analytical Programme
MAP	Mycotoxin Analytical Programme
MDS	Master Data System
MFA	Multi-Factor Authentication
MMDS	Multichannel Multipoint Distribution Service
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MRL	Maximum Residue Level
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAB	Namibian Agricultural Board
NAMC	National Agricultural Marketing Council
NAV	Navision (Finance Application)
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NGO	Non-Governmental Organisation
NGP	National Growth Path
NIR	Near-Infrared
NPPO	National Plant Protection Organisation

NQF	National Qualification Framework
NTB	Non-Technical Trade Barriers
OECD	Organisation for Economic Co-operation and Development
PAA	Public Audit Act
PAIA	Promotion of Access to Information Act
PAP	Pesticide Analytical Programme
PDI	Previously Disadvantaged Individuals
PFMA	Public Finance Management Act
POPIA	Protection of Personal Information Act
PPE	Personal Protective Equipment
PPECB	Perishable Products Export Control Board
PUC	Production Unit Code
PHC	Packhouse Code
PWD	People with Disabilities
QSE	Qualifying Small Enterprises
QLFS	Quarterly Labour Force Survey
RDI	Research, Development and Innovation
RFI	Request for Information
RHM	Royal Honey Murcott
RISCO	Risk Committee
RMS	Risk Management System
ROI	Return on Investment
RPA	Robotic Process Automation
RRMT	Refrigerated Road Motor Transport
S&T	Subsistence & Travel Allowance
SACOTA	South African Cereals and Oil Seeds Trade Association
SAGAP	South Africa Good Agricultural Practices
SANAS	South African National Accreditation System
SATAWU	South African Transport Allied Workers Union
SATI	South African Table Grapes Industry
SCM	Supply Chain Management
SD-WAN	Software Defined Wide Area Network
SETA	Sector Education and Training Authorities
SLA	Service Level Agreement
SOE	Stated Owned Entities
SONA	State of the Nation Address
SOP	Standard Operation Procedure
SRV	Specialist Refrigerated Vessel
SSCC	Serial Shipping Container Code
SSO	Single Sign On
TITAN 2.0®	PPECB Mobile Application
TUM	Tracking Unit Manager
UK	United Kingdom
UNECE	United Nations Economic Commission for Europe
UNTU	United National Transport Union
USA	United States of America
USDA	US Department of Agriculture
VGM	Verified Gross Mass
VoIP	Voice Over Internet Protocol
WCARF	Western Cape Agriculture Research Forum
WMO	World Meteorological Organisation
WHO	World Health Organisation

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