

24 November 2025

DEPARTMENT OF AGRICULTUREAgriculture Place
20 Steve Biko Street
Arcadia
Pretoria
0001

Attention: Mr. Billy Makhafola

APPROVAL OF THE PPECB LEVY INCREASE EFFECTIVE 1 APRIL 2026

As per the Agricultural Product Standards Amendment, Act 2023 Section 3 and National Treasury Regulation 7.3.1, the review of the statutory fee (levy) formed part of the Perishable Products Export Control Board (PPECB) annual budget process.

The following factors were considered in determining the statutory fee (levy) increase:

- Recover costs on a fair and equitable basis,
- Provide a stable and consistent system approach to statutory fee (levy) adjustments,
- Ensure sufficient financial resources to sustain statutory activities as per mandate,
- Current predicted market conditions for customers,
- Ensure efficient administration of levies,
- Forecasted average year-on-year CPI growth of 3.1%, and
- National Treasury forecasted CPI projection of 4.14%

On 20 November 2025, the PPECB Budget 2027 and proposed statutory fee (levy) were presented to the board. Both Budget 2027 and proposed statutory fee (levy) were approved and the extract of the minutes of such approval and summarised budget is attached to this letter.

On 21 November 2025, the PPECB engaged the below industry bodies on the proposed statutory fee (levy) and responses to date are positive.

No.	Contact	Industry Body
1	Mr. Brent Walsh	Berries SA
2	Dr. Boitshoko Ntshabele	Citrus Growers Association
3	Mr Piet De Jager	FPEF
4	Mr. Anton Rabie	Hortgro
5	Dr. Andre van de Vyer	The South African Cereals and Oilseeds Trade Association
6	Ms. Mercia Petersen	South African Table Grapes Industry
7	Mr. Derek Donkin	Subtrop Association
8	Mrs. Jill Atwood-Palm	South African Fruit & Vegetable Cannery Association (SAFVCA)

The entity will strive to continue to deliver on its mandate in a financially sustainable manner without requiring funding from the fiscus, given the current constrained fiscal environment.

We trust that the above information further clarifies and meets your approval. Please do not hesitate to contact me with regards to any queries.

Kind Regards

Aneesa Moosa-Camroodien
Financial Accountant**Board Members:**J Atwood-Palm, W Bam, I Beukes, M Brinkhuis, D Donkin, M Kotze,
B Mavume, B Njobe (Chairperson), C Nkuna, N Rambau, P Tlomatsane

Budget 2027 Report

Classification: Confidential

The PPECB requests approval for a **4.50%** statutory fee (levy) increase.

Budget 2027 reports a **break-even** performance after two consecutive years of deficits. Revenue and Expenditure is forecasted at R816.7m.

The plan is underpinned by inflation assumptions aligned with the MPC forecast of 3.10% and MTEF guidelines of 4.14%.

The break-even objective is sensitive to income realisation and cost discipline on indirect expenditure.



Executive summary

The budget presented is for the period 1 April 2026 to 31 March 2027.

The entity proposes a break-even budget with total income of R816.7 million, operational expenditure of R791.0 million and a performance incentive of R25.6 million. This is realised through a proposed statutory fee (levy) of 4.50%.

Budget 2027 was prepared after analysis of expected volumes, required resources, direct and indirect expenditure and strategic projects. Management's understanding and assessment of the business, the successful execution of operational activities, impact of the entity's strategic projects, the laboratory's turnaround strategy and recognising employee performance were considered.

The budgeted financial performance is summarised below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Total Income	816,663	759,936	633,694	107%	114%
Total Operational Expenditure	-791,039	-764,389	-652,960	103%	110%
Direct activity expenditure	-439,254	-421,902	-369,252	104%	109%
Indirect activity expenditure	-351,785	-342,487	-283,708	103%	111%
Operating Surplus / (Deficit)	25,624	-4,453	-19,267	-	-
Performance incentive	-25,624	-16,064	-	-	-
Break-even / (Deficit)	-	-20,517	-19,267	-	-
General reserve funding	-	20,517	-	-	-
Break-even	-	-	-19,267	-	-



Total volumes

The budgeted total volumes are summarised below:

	Unit of measure	Budget 2027 '000	Budget 2026 '000	Actual 2025 '000	B2027/ B2026	B2027/ A2025
Inspection Services						
Avocados	Carton	16,943	16,761	19,525	101%	93%
Blueberries	Carton	8,216	7,322	8,302	112%	99%
Citrus Fruit	Carton	203,000	185,924	171,518	109%	109%
Grapes	Carton	73,259	73,022	69,724	100%	103%
Litchis	Carton	1,250	1,250	377	100%	182%
Mangoes	Carton	2,000	1,800	1,760	111%	107%
Other Fruit	Carton	6,008	5,347	5,894	112%	101%
Pome Fruit	Carton	66,995	65,666	61,983	102%	104%
Stone Fruit	Carton	24,813	24,688	22,979	101%	104%
Canned Products	Kg	82,408	82,408	68,487	100%	110%
Dried Fruit	Kg	70,000	68,000	82,491	103%	92%
Flowers and Proteas	Kg	5,028	4,632	7,946	109%	80%
Red Tea	Kg	12,151	12,393	12,374	98%	99%
Vegetables	Kg	129,651	103,755	123,961	125%	102%
Groundnuts	Ton	7	7	6	98%	106%
Macadamia & Pecan Nuts	Ton	91	71	80	128%	107%
Maize and Grain	Ton	1,800	3,370	1,685	53%	103%
	Unit of measure	Budget 2027	Budget 2026	Actual 2025	B2027/ B2026	B2027/ A2025
Sea Export Services						
Containers	Container	223	210	176	106%	112%
Conventional	Pallet	271	264	286	103%	97%
	Unit of measure	Budget 2027	Budget 2026	Actual 2025	B2027/ B2026	B2027/ A2025
Laboratory		34,605	34,605	19,384	100%	134%
Mycotoxin Analysis	Samples	12,407	12,407	8,571	100%	120%
Fats Analytical Programme	Samples	8,239	8,239	5,689	100%	120%
Pesticides Residue Testing	Samples	6,561	6,561	3,412	100%	139%
Dairy Analysis	Samples	7,398	7,398	1,712	100%	208%
	Unit of measure	Budget 2027	Budget 2026			
Food Safety Certification		1,364	891			
Ad Hoc Audits	Audits	400	400			
Ground Nuts	Audits	1	5			
Maritime Safety Certification	Audits	90	100			
Raisin Drying Facilities	Audits	400	99			
Small-holder Farmer Development Certification	Audits	100	23			
Readiness Audits (SA GAP)	Audits	373	264			



Total income

The budgeted total income is summarised below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Operational Income	801,424	747,590	615,622	107%	114%
APS inspection services	479,351	452,463	390,848	106%	111%
PPECB export services	238,888	216,558	168,337	110%	119%
PPECB container services	20,038	18,512	15,653	108%	113%
PPECB other services	10,932	9,761	8,300	112%	115%
Food safety certifications	10,936	10,286	9,382	106%	108%
Laboratory	41,279	40,011	23,103	103%	134%
Other Income	15,239	12,346	18,072	123%	92%
Training & development	4,990	2,599	4,699	192%	103%
Interest received	7,025	6,600	7,524	106%	97%
Sundry income	3,225	3,147	5,848	102%	74%
Total Income	816,663	759,936	633,694	107%	114%

Total income of R816.7 million is provided with operational income of R801.4 million and other income of R15.2 million.

APS inspection services income of R479.4 million is provided, a R26.9 million increase on Budget 2026, it comprises of the average levy increase of 4.5% and a 1.3% average volume growth on main products contribution. Cold chain services (export and container) of R258.9 million is provided, a R23.9 million augmentation and comprises of a levy increase of 4.5% and 5.4% average volume growth contribution. Food safety certification income of R10.9 million is provided comprising of 1,364 audits and a one cent food safety allocation on inspection services on main products. The laboratory provided for R41.3 million in income, a 3.0% increase on Budget 2026 with 34,605 samples forecasted.

Citrus volumes continue to strengthen owing to anticipated favourable weather conditions, the potential of orchards and good crop conditions. The budgeted volumes are 203.0 million cartons which is a 9% year-on-year growth on actual March 2025 volumes. Expected volumes for grapes is 73.3 million, pome 67.0 million and stone 24.8 million cartons. Containers increased due to the anticipated favourable fruit volumes. The budgeted total containers are 223 thousand which is a 12% year-on-year growth on actual March 2025 containers. Canned products and litchis are expected to remain in line with Budget 2026.



Total direct activity expenditure

The budgeted total direct activity expenditure is summarised below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Permanent employee costs (Inspectorate)	236,306	227,303	216,691	104%	104%
Seasonal employee costs	89,474	81,852	54,569	109%	128%
Travel costs	16,716	17,014	14,457	98%	108%
Overtime & standby	14,211	13,359	11,830	106%	110%
Subsistence allowance	10,294	10,727	9,282	96%	105%
Fixed travel allowance	28,972	28,705	25,769	101%	106%
Fixed cellphone allowance	1,507	1,513	1,184	100%	113%
Safety shoe allowance	528	512	480	103%	105%
Relief duty accommodation	18,001	17,858	15,290	101%	109%
Technical costs - labels, equip, clothing	21,603	21,024	18,025	103%	109%
Courier charges - samples	1,642	2,036	1,674	81%	99%
Total direct activity expenditure	439,254	421,902	369,252	104%	109%



Total indirect activity expenditure

The budgeted total indirect activity expenditure is summarised below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Permanent employee costs (Admin)	152,513	147,582	114,690	103%	115%
Contract employee costs	31,032	30,943	31,167	100%	100%
The PPECB Board	2,057	2,025	1,669	102%	111%
Operations System Support	1,077	1,254	692	86%	125%
Admin staff travel and overtime	3,849	4,757	4,563	81%	92%
Administrative costs	6,386	6,574	5,110	97%	112%
Bad debt & wasteful expenses	-	-	3,093	-	-
Business transformation	1,225	950	634	129%	139%
Computer costs	6,793	7,331	13,761	93%	70%
Consultant fees	834	1,528	1,281	55%	81%
Corporate identity	3,337	3,397	2,774	98%	110%
Depreciation	10,179	10,424	7,483	98%	117%
External audit fees	1,200	1,000	1,432	120%	92%
Health safety & employee motivation	1,614	1,498	985	108%	128%
ICT support and managed services	25,433	7,869	1,498	323%	412%
Internal audit fees & QMS	1,854	2,252	1,318	82%	119%
Legal fees	1,470	1,182	638	124%	152%
License fees	31,884	42,674	38,186	75%	91%
Loss on sale of assets	-	-	841	-	-
Meetings and workshops	5,998	6,195	4,139	97%	120%
Office and facilities related costs	21,494	20,238	16,897	106%	113%
Outsourced services	18,049	21,270	16,734	85%	104%
Recruitment, on-boarding, talent	1,479	1,483	1,262	100%	108%
Smallholder development	2,338	1,991	918	117%	160%
Telecommunications	966	1,028	708	94%	117%
Internal training	12,819	12,859	7,300	100%	133%
Transformation costs	4,811	3,100	3,133	155%	124%
Travel overseas costs	1,093	1,084	802	101%	117%
Total indirect (administration) activity expenditure	351,785	342,487	283,708	103%	111%



Computer costs of R6.8 million is provided for Budget 2027, a R0.5 million (7%) decrease on Budget 2026. The detail to this cost is tabled below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
ICT penetration testing	400	850	264	47%	123%
Business intelligence assessments	4,387	4,178	1,703	105%	160%
Cybersecurity costs	1,500	1,000	158	150%	308%
ERP implementation costs	-	-	1,116	-	-
Human Capital implementation costs	-	1,000	10,183	-	-
Tablet and laptop accessories	436	205	325	213%	116%
Tablet and laptop repairs	29	58	-	50%	-
LAN infrastructure and cabling	40	40	12	100%	182%
Total computer costs	6,793	7,331	13,761	93%	70%

Licence fees of R31.9 million is provided for Budget 2027, a R10.8 million (25%) decrease on Budget 2026. The detail to this cost is tabled below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Licence fees Microsoft Cloud services*	-	16,174	14,299	-	-
Licence fees Cybersecurity (Adobe)	100	120	69	83%	121%
Licence fees HC and Payroll	582	449	445	130%	114%
Licence fees Human Capital	3,414	3,811	3,151	90%	104%
Licence fees Communications	40	40	36	100%	106%
Licence fees Credit Reporting (Experian)	350	315	266	111%	115%
Licence fees TITAN 2.0	55	55	-	100%	-
Licence fees Finance (CQS)	115	150	98	77%	108%
Licence fees Laboratory (LIMS)	200	83	69	240%	171%
Licence fees Infrastructure	19	-	6	-	171%
Licence fees Governance	193	191	181	101%	103%
Licence fees Enterprise Agreement	26,816	21,286	19,566	126%	117%
Total licence fees	31,884	42,674	38,186	75%	91%



ICT support and managed services of R25.4 million, a R17.6 million increase on Budget 2026. The detail to this cost is tabled below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Outsourced ICT services Cybersecurity	3,500	3,500	-	100%	-
Outsourced ICT Services Intellex	100	76	-	131%	-
Outsourced ICT services Private Cloud**	7,397	-	-	-	-
Outsourced ICT services Public Cloud**	8,131	-	-	-	-
Support costs ERP	4,892	3,023	944	162%	228%
Support costs Intranet and M-files	-	70	-	-	-
Support costs HC Suite	1,414	1,200	554	118%	160%
Total ICT support & managed services	25,433	7,869	1,498	323%	412%

*Contract ended.** New contract entered classified as outsourced services. The nett effect against Budget 2026 is a R0.6 million decrease on Budget 2026)

Transformation and Development costs of R9.6 million is provided for. This will contribute to the socio-economic transformation of the agricultural sector for capacity building. The budget allows for:

- Internships and learnerships
- Employment and mentoring for people with disabilities
- Small-holder and black farmer development
- Creation of an economic environment favourable to black-owned businesses and small businesses, providing financial and non-financial support as well as access through preferential procurement (in conjunction with Enterprise Supplier Development partner)
- Woman in leadership.

The detail to this cost is tabled below:

	Budget 2027 R '000	Budget 2026 R '000	Actual 2025 R '000	B2027/ B2026	B2027/ A2025
Small-holder development	2,338	1,991	918	117%	160%
Accommodation, air fares and S&T	1,479	1,188	918	125%	127%
Small-Holder development: Final Audits	858	804	-	107%	-
Capacity building	7,246	4,800	4,233	151%	131%
Transformation CSI	1,205	800	935	151%	114%
Transformation ESD	3,606	2,300	2,198	157%	128%
Transformation PWD	460	-	-	-	-
Women in Leadership Program	575	500	396	115%	120%
Culture & OD Program	650	450	238	144%	165%
Leadership Development Program	750	750	467	100%	127%
Total Transformation cost	9,584	6,791	5,152	141%	136%



Capital expenditure

The proposed investment in fixed assets for Budget 2027 amounts to R26.3 million. The capital investments are made in:

- National replacement of office furniture and equipment
- Laboratory technical equipment
- Continued improvement on digitalization, including ICT Refresh program (laptops & tablets)
- Solar energy project (ESG initiative)

Capital expenditure for Budget 2027 is tabled below:

	Budget 2027 R '000	Budget 2026 R '000
Office furniture & equipment	5,181	1,280
Technical equipment	16,674	23,560
Computer equipment	3,477	6,355
Property	1,000	-
Total CAPEX	26,331	31,195

Conclusion

Budget 2027 aims to support the strategic objectives of the PPECB to transform and enhance the way it operates. The strategy encompasses the expectations of the PPECB stakeholders. The PPECB will utilise this budget to continue to strive towards excellence through service delivery, cost containment and focusing on strategic development and transformation.



**Extract from the minutes of the Board Meeting of the Perishable Products Export
Control Board held on 20 November 2025.**

The Board accepted the recommendation from the Audit Committee and approved;

1. Budget 2027, including the 4.5% levy increase.

Signed and dated on this 24th day of November 2025.

Michelle Adams

**Michelle Adams
Legal & Corporate Governance Manager**

ANNUAL PERFORMANCE PLAN 2026/2027



**Perishable Products
Export Control Board**

DRAFT October 2025



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PPECB OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan (APP):

- Was developed by the management of PPECB under the guidance of Accounting Officer
- Takes into account all relevant policies, legislation and other mandates for which the PPECB is responsible.
- Accurately reflects the outcomes and outputs which the PPECB will endeavour to achieve over the period 2026 to 2027

Ms Bongiwe Njobe

PPECB Chairperson of the Board

Mr. Lucien Jansen

Chief Executive Officer

XXXXXXXXXX

Chief Financial Officer

NOTE: This document will be signed off by relevant parties once final APP is submitted in January 2026.

PART A: OUR MANDATE

1. Updates to the relevant legislative and policy mandates

The PPECB is mainly governed by the Perishable Products Export Control Act 9 of 1983 and the Agricultural Product Standards Act 119 of 1990. In terms of this legislation, the PPECB is responsible to oversee the orderly export of perishable produce. This is achieved through the inspection of listed agricultural products and management of the cold chain.

The Regulations Relating to the Export of Perishable Products, 1983 was published in the Government Gazette on 17 January 2025 and came into effect on 18 July 2025.

The introduction of stricter international import regulations and requirements puts a lot of pressure on South African perishable product export systems and processes to ensure compliance and continued market access. These policy changes often require additional checks and validations, contributing to an already overburdened exporting system. In July 2022, the European Union introduced additional compliance measures for oranges from Southern Africa. This necessitated the introduction of additional controls at a significant cost for exports from South Africa, making it even more challenging to access this market. These policy changes are expected to continue over the medium term, requiring the South African export industry to become even more flexible and innovative to remain competitive.

A formal agreement between the DoA and the PPECB was concluded, and the document records the formal service level agreement between the parties regarding phytosanitary inspections as well as relevant cold chain requirements. The purpose of this agreement is inter alia to record specific activities and procedures to ensure effective and efficient compliance with the EU Commission Implementing Regulation 2019/2072 as well the Commission Implementing Regulation 2022/632.

This Agreement between the DoA and the PPECB expires at the end of the 2025 calendar year. PPECB management is engaging with the DoA to finalise a new agreement for 2026 and beyond. The revised MoA will include amendments to the special market arrangements, particularly regarding the DoA's non-participation in cold chain functions. Engagements were held with the management of DoA to discuss the citrus fruit in-take inspections for the 2025 Citrus season and the possibility of the PPECB to conduct these inspections on behalf of the DoA. A decision was made, that the DoA will continue with the status-quo and further discussions will be held during 2025 to discuss the way forward for the 2026 Citrus season.

On 30 August 2022, and in terms of Section 97 of the Constitution, the President of South Africa signed a proclamation transferring certain administration and powers of functions entrusted under the APS and the PPEC Acts respectively to the Minister of Home Affairs, in relation to the border law enforcement area and at ports of entry. Under the APS Act the transferred functions are certain regulatory aspects relating to control over export of products, and control over sale of imported products. Under the PPEC Act, the transferred function are certain regulatory aspects relating to officer and employee appointment.

The PPECB has sought clarity from Department of Agriculture (DoA) and has engaged in meetings with both the DoA, on 26 September 2022, and the Border Management Authority (BMA) Commissioners on 27 September 2022. The BMA were requested to consider the specialised cold chain services rendered by the PPECB, the impact of splitting services which PPECB renders both in and outside of the border law enforcement area and that the PPECB is funded by levies. A physical meeting was held with the BMA Commissioners, and it was agreed that the PPECB will continue rendering services within the 10km port area. The PPECB provided a draft Implementation Protocol to the BMA and feedback is awaited.

PART B: OUR STRATEGIC FOCUS

1. Updated Situational Analysis

Exports of perishable products are becoming more competitive worldwide as new players enter foreign markets and the demand for high-quality, safe food keeps growing. The availability of pertinent export information has never been more important, and non-technical trade restrictions continue to be a major concern.

La Niña conditions may emerge as early as September 2025. The probability of La Niña developing increases to about 60% for the October–December 2025 period, according to a new update from the World Meteorological Organization (WMO). While La Niña has a cooling effect on the equatorial Pacific, the WMO notes that temperatures are likely to remain above average globally, partly due to continue above-average sea surface temperatures in the western Pacific. This is why the Early Warnings for all initiative still remains WMO's top priority.

With this official return of the La Niña weather pattern, confirmed in September 2025, South Africans can expect a wetter-than-normal summer rainfall, extending to the entire Southern Africa region. For the wider population, the La Niña-induced rains offer essential relief in a water-stressed regions. Dams, rivers, and groundwater reserves could receive a welcome boost, thereby easing pressure on farmers and communities. The improved prospects for summer crops like maize, sugarcane, and other staples suggest that better harvests may translate into more stable food supplies and potentially reduce consumer costs, especially following the preceding season which was hit hard by El Niño. The major dams within South Africa are 93% to capacity compared to 78% for the same period last year. However, the dams within the Western Cape are 83% to capacity, which is 10% less than last year.

Being an independent and impartial regulator for South African perishable exports for more than 99 years, the PPECB will be turning 100 years in 2026. 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 into 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.

Road to the 2026 Local Government Elections, a number of dependencies must occur in sequence to ensure the successful election of representatives. The Electoral Commission has begun preparations for the next general elections of municipal council informed by among others the following:

- In terms of the legal scheme, the term of a municipal council subsists for a period of five (5) years,
- an election must be held within ninety (90) days of the end of the term.
- The end of the term is calculated from the day following the date of the last general elections.
- The elections of the current municipal councils were held on 1 November 2021,
- on that reckoning, the elections must be held between 2 November 2026 and 30 January 2027.
- The authority to set a date and call an election is within the statutory remit of the Minister of CoGTA. In this regard, preliminary consultations between the Commission and the Minister have commenced.

In March 2025, the Commission hosted an international conference on the feasibility of electronic voting in South Africa. At the conference, the Commission launched a Discussion Document to start

a country discussion on the use of technology in elections. It is important to note that the Commission has not yet made a decision on the use of e-voting

The MTDP 2024-2029 serves as a guiding framework for the South African government, focusing on inclusive growth, social equity, and effective governance. By fostering collaboration among various sectors and prioritizing the needs of the population, the agenda aims to create a more prosperous and equitable society for all South Africans. Key Objectives of the MTDP 2022-2029:

- Economic growth
- Collaborative Governance
- Social Development
- Implementation Framework
- Monitoring and Evaluation

To achieve these goals, the MTDP 2024-2029 identifies three Strategic Priorities which will be implemented across the state:

- Strategic Priority 1: Drive inclusive growth and job creation.
- Strategic Priority 2: Reduce poverty and tackle the high cost of living.
- Strategic Priority 3: Build a capable, ethical and developmental state.

The Organisational Performance Indicators of the PPECB for the 2026/27 financial year is aligned to support and address the Strategic priorities that were identified in the MTDP. These interventions are driven by the Institutional Performance programmes through corporate and operational services, food safety services, transformation and development.

At the first Strategic Planning Session for the Department of Agriculture (DoA) that was conducted during the month of October 2024, the following seven Strategic Priorities were set for the next five years, which will have to be aligned in the PPECB Strategic planning:

1. **Partnerships for Growth:** The DoA needs to position itself as the nexus of partnership creation across the agricultural sector. It is only through effective partnerships that the department will be able to marshal the expertise, skills and resources in the sector towards achieving the common objectives set out in the Agriculture and AgroProcessing master plan.
2. **A Modern and Progressive Legislative and Regulatory Environment:** Agriculture is a sector characterized by rapid biological, technical, scientific and economic changes and innovations. For the South African agricultural sector to remain on the cutting edge of these changes it requires a legislative and regulatory environment that is modern, progressive and agile enough to adapt rapidly to change and innovation.
3. **Improving Market Access for South African Agriculture:** Market access is essential for the profitability and sustainability of the agriculture sector. Without market access, growth and employment expansion in the sector will stagnate. It is therefore essential that the DoA plays a key role in expanding existing markets and opening new markets for South African agricultural products. Expansion of markets will stimulate the demand for South African products and this demand will, in turn, drive economic growth and job creation across the sector.
4. **Providing Effective Support for Farmers to ensure inclusive, viable, sustainable and profitable farming operations:** South Africa's agriculture sector is characterized by a diverse range of farmers. The range includes subsistence farmers, smallholder farmers, family farmers

and mega farmers. Each of these are characterized by different needs, requirements and expectations of the DoA.

5. **Biosecurity is everybody's responsibility:** Despite producing some of the best agricultural products in the world, access to markets for these goods is extremely constrained by the uncontrolled outbreaks of various plant and animal diseases. This has severely affected the growth of export markets and led to a situation where even existing trade agreements are curtailed due to the concerns around South Africa's biosecurity framework.
6. **Advocacy for a growing sector:** The agriculture sector is affected by a variety of issues that fall outside the legislative, regulatory and operational jurisdiction of the DoA, yet these issues have a direct impact on the ability of the sector to grow. DoA must become the lead advocate both within and outside of government.
7. **Improving Food Security:** South Africa faces a major problem with food insecurity. This is underlined by the release of the National Food and Nutrition Security Survey 2024. Food security is not only access to food but also the quality of food and the consistency of food supply. South Africa also faces a cost-of-living crisis that is exacerbated by rising food prices.

Given the seven strategic priorities that were identified, the PPECB has reviewed its Key Performance Indicators (KPI's) to confirm alignment with these priorities.

In addition to the above, customers anticipate greater productivity, smooth systems integration, quicker information flow backed by sound business and, more importantly, market intelligence, as well as flawless customer service. It is obvious that the PPECB should adopt an enabling function in addition to its current regulatory duty. 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. Such services can create a further income stream for the PPECB, relieving some pressure on future levy increases. The PPECB has highlighted organisational culture as one of the major focus areas to ensure successful delivery on 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 digitalization.
- Improved business efficiencies to ensure effective service delivery and contain cost.
- Improved business sustainability for black smallholder farmers and suppliers.

1.1 External Environment Analysis

Global growth is projected at 3% for 2025 and 3.1% in 2026. The forecast for 2025 is 0.2 percentage point higher than that in the reference forecast of the April 2025 World Economic Outlook (WEO) and 0.1 percentage point higher for 2026. This reflects stronger-than-expected front-loading in anticipation of higher tariffs; lower average effective US tariff rates than announced in April; an improvement in financial conditions, including due to a weaker US dollar; and fiscal expansion in some major jurisdictions. Global headline inflation is expected to fall to 4.2% in 2025 and 3.6% in 2026, a path similar to the one projected in April. The overall picture hides notable cross-country differences, with forecasts predicting inflation will remain above target in the United States and be more subdued in other large economies.

Risks to the outlook are tilted to the downside, as they were in the April 2025 WEO. A rebound in effective tariff rates could lead to weaker growth. Elevated uncertainty could start weighing more

heavily on activity, also as deadlines for additional tariffs expire without progress on substantial, permanent agreements. Geopolitical tensions particularly in the Middle East or Ukraine, could disrupt global supply chains and push commodity prices up. Larger fiscal deficits or increased risk aversion could raise long-term interest rates and tighten global financial conditions. Combined with fragmentation concerns, this could reignite volatility in financial markets. On the upside, global growth could be lifted if trade negotiations lead to a predictable framework and to a decline in tariffs. Policies need to bring confidence, predictability, and sustainability by calming tensions, preserving price and financial stability, restoring fiscal buffers, and implementing much-needed structural reforms. (IMF 2025)

As we entered 2025, the global outlook is increasingly fractured across geopolitical, environmental, societal, economic and technological domains. Over the last year we have witnessed the expansion and escalation of conflicts, a multitude of extreme weather events amplified by climate change, widespread societal and political polarization, and continued technological advancements accelerating the spread of false or misleading information. Optimism is limited as the danger of miscalculation or misjudgement by political and military actors is high. We seem to be living in one of the most divided times since the Cold War. Deepening divisions and increasing fragmentation are reshaping international relations and calling into question whether existing structures are equipped to tackle the challenges collectively confronting us. Levels of global cooperation across many areas of geopolitics and humanitarian issues, economic relations, and environmental, societal and technological challenges may reach new lows in the coming years. Key countries appear to be turning inward, focusing on mounting domestic economic or societal concerns, just when they should be seeking to strengthen multilateral ties to confront shared challenges. (WEF 2025)

Global inflation is showing mixed signs. The global median of sequential headline inflation has increased a notch, but core inflation has eased considerably and is now below 2 percent. Several economies, including the euro area, have seen downside surprises. In the United States, inflation has ticked up, with tentative signs of pass-through from tariffs and a weaker dollar to consumer prices in some import-sensitive categories, and intermediate goods costs for producers have risen. In emerging market and developing economies, growth is expected to be 4.1% in 2025 and 4% in 2026. Relative to the forecast in April, growth in 2025 for China is revised upward by 0.8 percentage point to 4.8%. This revision reflects stronger-than-expected activity in the first half of 2025 and the significant reduction in US–China tariffs. In the Middle East and Central Asia, growth is projected to accelerate to 3.4% in 2025 and 3.5% in 2026. Growth is expected to be relatively stable in 2025 in sub-Saharan Africa at 4%, before picking up to 4.3% in 2026. (IMF 2025)

The European Green Deal (EGD) is a strategic roadmap set by the European Union (EU) to achieve climate neutrality by 2050 (European Commission, 2024). Central to this initiative is the Farm to Fork (F2F) strategy, which aims to make food production more sustainable by reducing greenhouse gas emissions and combating climate change. A significant aspect of this strategy is the potential implementation of a mirror clause, which would require countries exporting to the EU to adhere to the same production and input use constraints as EU farmers.

Key Objectives of the F2F strategy by 2030:

- Reduce the overall use and risk of pesticides by 50%
- Reduce the use of more hazardous pesticides by 50%
- Reduce maximum residue levels for certain chemicals
- Increase organic production to at least 25% of agricultural area
- Reduce nutrient losses by 50% and the use of fertilizers by 20%

It is likely that the production practices of exporters of food commodities and products to the EU will come under increased scrutiny over the next number of years and anyone who wishes to export crops to the EU will have to follow the same or adhere to similar input use directives and production system requirements. What these restrictions would mean for South Africa, or to what extent implementation

of these requirements would be practically possible or economically feasible is not clear. This brief presents a summary of a comprehensive study conducted by BFAP, aiming to shed light on this topic. South Africa's agricultural sector is a major contributor to national food security, foreign currency earnings, and employment. The EU is a significant market for South African agricultural exports, particularly for citrus, table grapes, pome fruit, and, to a lesser extent, maize. The proposed restrictions under the EGD could have substantial implications for South African farmers, particularly in terms of pesticide use and production practices.

Statistics South Africa (Stats SA) has issued the results of the Quarterly Labour Force Survey (QLFS) for Q2: 2025. The official unemployment rate was 33,2% in Q2 of 2025. The working-age population increased by 131 000 or 0,3% in the Q2 of 2025 compared with Q1. The number of employed persons increased by 19 000 to 16,8 million in Q2: 2025, and the number of unemployed persons increased by 140 000 to 8,4 million compared with Q1: 2025, resulting in an increase of 159 000 (up by 0,6%) in the labour force. The number of discouraged work-seekers decreased by 28 000 (down by 0,8%), and the number of people who were not economically active for reasons other than discouragement remained unchanged between the two quarters, resulting in a net decrease of 28 000 in the not economically active population.

Compared with a year ago, a net gain of 2 000 jobs in the formal sector employment was mainly driven by the Finance (62 000), Transport (50 000) and Utilities (18 000) industries in Q2: 2025. Employment losses were observed in the Trade (96 000), Manufacturing (23 000) and Mining (13 000) industries during the same period. The official unemployment rate increased by 0,3 of a percentage point to 33,2% in Q2: 2025 compared with Q1: 2025. The official unemployment rate increased in six of the nine provinces. The largest increases were recorded in Northern Cape (3,2 percentage points), followed by Limpopo (1,7 percentage points) and Western Cape (1,5 percentage points). A decrease in the unemployment rate was recorded in Mpumalanga (1,4 percentage points), followed by Gauteng (0,9 of a percentage point) and North West (0,3 of a percentage point). Year-on-year, the official unemployment rate decreased by 0,3 of a percentage point. The official unemployment rate decreased in five provinces. (Stats SA 2025)

During the State of the Nation Address (SONA) held in February 2025, President Ramaphosa highlighted the following key themes and initiatives:

National Unity and Dialogue: The address emphasized collaboration under the new Government of National Unity and called for a National Dialogue to shape the nation's vision for the next 30 years.

Public Sector Reform: The government is working to build a more capable and competent state by strengthening the Public Service Commission to oversee key leadership appointments.

Economic Growth: The speech focused on creating jobs, particularly for young people, and supporting economic sectors such as:

- Agriculture: Improving logistics and opening new export markets for agricultural products.
- Mining: Beneficiating minerals locally to benefit the population.
- Youth Employment: Encouraging businesses to use platforms like SA Youth.mobi and scale up workplace experience opportunities.

Infrastructure: Key infrastructure projects include revitalizing port terminals and rail corridors, and mobilizing private sector investment in renewable energy to build a competitive electricity market.

Crime Fighting: The address highlighted efforts to combat crime, such as Operation Shanela, and the work being done with metropolitan municipalities and communities.

Education and Skills: The government is working to align education with the needs of the economy by increasing the production of artisans and expanding experiential learning opportunities for young people.

The ongoing logistical challenges continued into the 2025 citrus season, where major shipping lines are currently facing shortages of empty containers, exacerbated by high demand during the citrus peak. The PPECB is providing after-hours inspection and loading support to help mitigate delays and maintain export throughput. Persistent truck delays at container depots are impacting the timely loading of containers at cold storage facilities, adding to logistical pressures across the network. On the upside, a highlight in the logistics sector is the newly signed 10-year partnership between Liebherr and Transnet Port Terminals. This agreement includes a 20-year asset management plan designed to enhance equipment reliability and port efficiency. Transnet has already ordered four ship-to-shore cranes for the Port of Durban and 48 rubber-tyred gantry cranes (RTGs) for both Durban and Cape Town terminals. Deliveries have begun, with several RTGs already operational. Liebherr is also investing in local capacity through a new Competence and Distribution Centre in Durban, which includes the Liebherr Technology Campus, a state-of-the-art training and innovation hub. This development will strengthen local skills, improve equipment uptime, and reinforce Liebherr's 24/7 service presence in South Africa.

Maersk's withdrawal from its co-share agreement with the Mediterranean Shipping Company (MSC) has left MSC as the sole carrier offering direct service between South Africa and the United States East Coast. MSC plans to increase capacity on this route by adding four vessels, bringing its total to eight. However, exporters remain concerned about whether MSC can accommodate all the volumes previously handled by Maersk. The increased citrus volumes resulted in PPECB exceeding its conventional export volumes with 12% against budget. The increase in USA tariffs negatively impacted citrus fruit shipments and a decline in volumes shipped on conventional vessels to the USA.

Year to date 3 970 878 pallets were shipped nationally with perishable products, which is 199 479 more than previous year, for the same period. The container volumes only 2% below with the PPECB budget. The deviation can be mainly contributed to an increase in the conventional loading and exports. Since, over 60% of all fruit grown in South Africa is exported, the industry has the potential to create jobs not just in primary production but also further down the value chain. This can include, among other things, marketing, different forms of transportation, clearing and forwarding service providers, packaging and refrigeration, and related professional services. Fresh fruit accounts for approximately 35% of South African agricultural exports and includes citrus fruit, pome fruit, stone fruit, table grapes, subtropical fruit, berries, vegetables and other exotic fruit – exported to more than 100 destinations. The economic value generated from these exports is more than \$3.5 billion. It is for this reason that negotiating for new export markets while maintaining good trade relations with the existing markets has been the strategy and approach of DoA in the past four years.

International market access work continues through engagement with multiple trading partners:

China: A draft protocol for stone fruit exports was circulated for comment. The proposed cold treatment requirement of -0.6°C for 24 consecutive days is considered unfeasible for many cultivars. Industry stakeholders have proposed incorporating a fumigation option as an alternative phytosanitary measure.

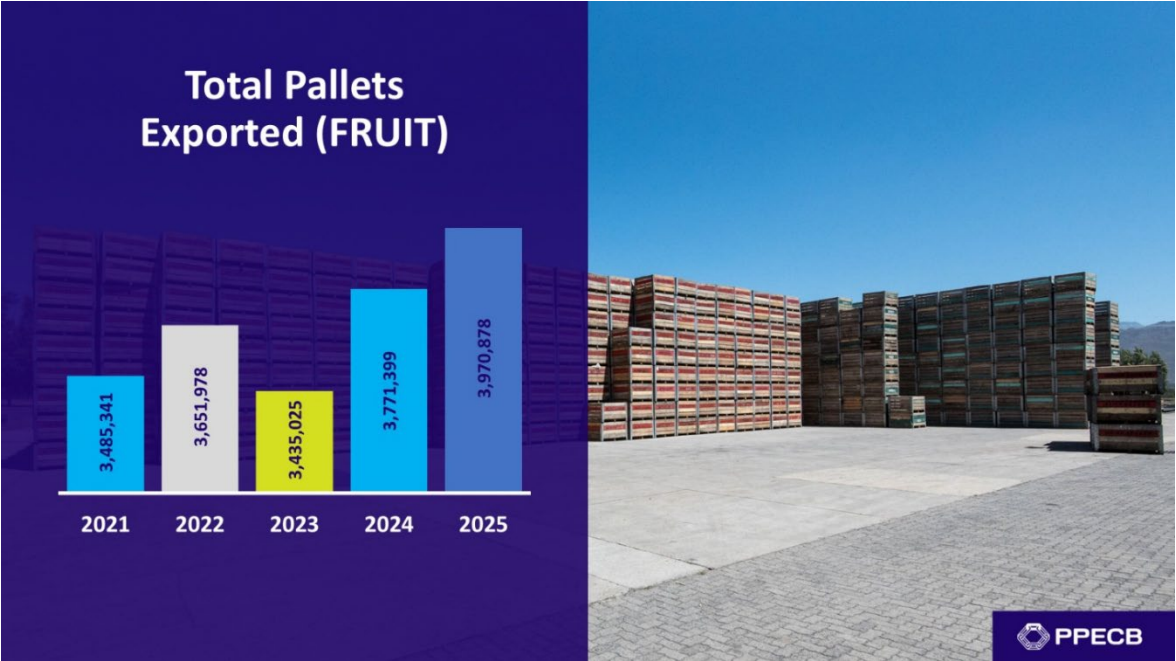
India: South Africa continues to engage India on approving in-transit cold treatment for citrus exports. India has proposed irradiation as a treatment for litchis, and South Africa has requested flexibility to perform irradiation either pre-export or on arrival. The PPECB is assisting the DoA with reviewing pest risk analyses and cold treatment protocols for products including pomegranates, potatoes, bananas, garlic, and grapes.

Egypt: PPECB management participated in an official delegation to Egypt for a pest risk assessment on importing pomegranates into South Africa, with travel costs covered by the DoA.

South Korea: Pest risk assessments for avocados have been completed, but progress depends on reciprocal approval for South Korean table grape imports into South Africa.

Taiwan: Citrus exporters continue to face fruit rejections due to probe placement disputes. PPECB has provided photographic proof of correct probe procedures and has recommended a high-level delegation visit to Taiwan to address the issue diplomatically.

Below a graphical depiction of perishable produce pallets exported over a 5-year period January 2025 to end September 2025.

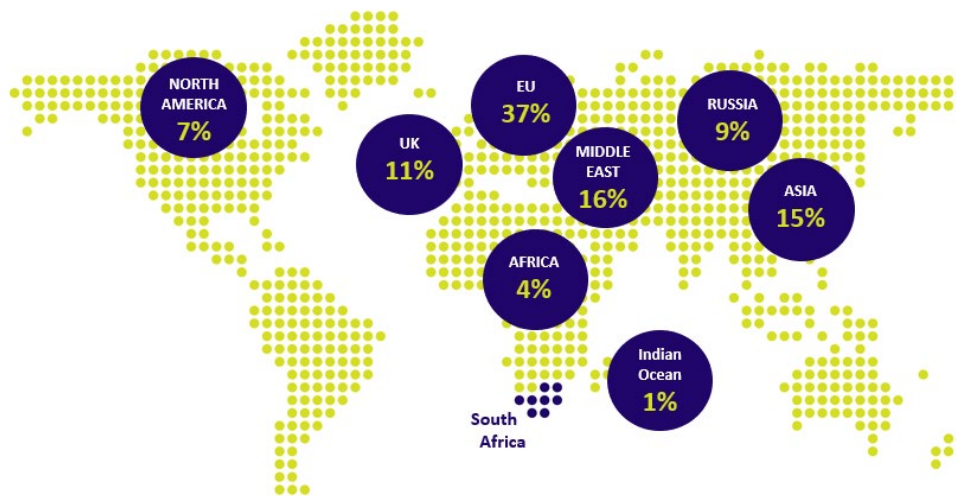


From a market perspective, the European Union (EU), excluding the United Kingdom (UK) remains the biggest importer of South African fruit with 37% during 2025, year to date, which was 1% higher compared to 2024. The UK took a further 11% of South African fruit volumes, which was also 2% lower compared to 2024. The slight decrease could be contributed to more favourable market opportunities in other parts of the world, including the EU. Based on reported figures, there were not significant changes in the export patterns from a South African point of view. Asia remains a market with huge potential for South African fruit, with 15% of fruit exported to this region during 2025 (year to date), which is 1% lower compared to 2024. The importance of increased market access to this region cannot be overemphasised. This decrease is due to an increase in exports to Middle East and other destinations.

With Citrus Black Spot (CBS) still an unresolved issue in the EU, the South African citrus industry remains on high alert. For 2025, South Africa recorded 13 CBS interceptions in the EU, from 26 in the previous year, same period. False Codling Moth (FCM) became a regulated pest in the EU 2018 and two interception was recorded in EU in 2025, compared to one recorded in 2024. There was no Fruit Fly interception during this period. The World Trade Organization (WTO) announced that South Africa has requested the establishment of two dispute settlement panels to examine European Union measures affecting the importation of citrus from South Africa into the EU. The request was considered at a meeting of the Dispute Settlement Body (DSB) in June 2024. This is the first time South Africa has requested the establishment of a panel under the WTO dispute settlement system. The measures in question involve import restrictions imposed by the EU to control the spread of the insect False Codling Moth, and citrus black spot. A delegation comprising of DoA and Citrus Research Institute (CRI) represented South Africa, at the World Trade Organisation in Geneva. Discussions were held relating to Citrus Black Spot (CBS) and resulted in no definite outcomes. However, the citrus importing regulations in relation to CBS and False Codling Moth will remain unchanged for the 2025 citrus fruit season.

Below a graphical depiction of the percentage of pallets exported to the major destinations January 2025 to September 2025.

Movement of Fruit - 2025



Grain export performance remains below expectations. Only 700,000 tons have been shipped year-to-date against a target of 2 million tons, representing a 63% shortfall. The final annual export target of 3.3 million tons will not be met. One of the major factors contributing to the decline in export volumes is the changing trade dynamic within the Southern African region. Neighbouring countries, such as Zimbabwe, are increasingly meeting their own maize requirements through improved domestic production. This shift has reduced their reliance on South African grain exports, thereby constraining market opportunities that have traditionally absorbed surplus supply. Zimbabwe's import ban on South African maize, aimed at protecting its domestic growers, was put in place, despite widespread reports of local shortages. However, this ban was lifted in October 2025. At the same time, South Africa has been importing yellow maize for animal feed due to favourable global prices. These developments illustrate the volatility of grain trade in the region and the uncertainty facing the next financial year's export program. Two Durban silos continue operating around the clock, primarily handling sunflower seeds and preparing to receive white maize in October.

The original citrus fruit estimates, at the beginning of the 2025 fruit season was 171 million cartons. A record-breaking 203 million cartons of citrus has been inspected to date, representing an 8% increase compared to the initial budgeted figures. This is a remarkable achievement considering logistical and climatic challenges faced during the season. The citrus season is drawing to a close across South Africa, with most packhouses having completed their packing operations. Remaining fruit currently in cold storage is expected to complete the shipping program during October. Export volumes to both Russia and Europe have risen sharply, reflecting shifting market dynamics and strong demand in these regions. The Eastern Cape province has been the standout performer this season, contributing over 10 million additional cartons compared to last year. This increase highlights the region's expanding production base and improved operational efficiencies within its packhouses and cold chain network. Notably, the citrus industry made a self-regulatory decision to cease inspections to the EU market from 19 September 2025, while the PPECB continued inspections upon request.

The Pome Fruit season started much better than the previous two seasons and despite a slight decline in volumes over the June/July school holiday period, both Apple and Pear volumes remained stable. The volumes inspected year to date are 37,554,247 cartons and is in line with the budgeted volumes of 37,425,225. Producers are expecting the season to continue with good volumes and night shifts at the bigger pack houses are expected to continue until November 2025. Good overall quality and favourable market conditions ensured higher than budgeted volumes over the last two months. Frequent re-inspections requests were received for markets with special marking requirements and less for fruit age which shows that there is a sustained demand from the markets. The most popular

export markets were China, Indonesia, India, Kenya, Malaysia, and Europe. Packhouses have started preparing for the 2026 season with annual maintenance and upgrading of packing lines.

A total of 11,556,045 cartons were inspected versus the budgeted volume of 13,349,153 cartons, which is 13% below budget for the period April until 30 September 2025. EU markets remained under pressure as, contrary to expectations, Peruvian volumes remained high. The Japanese inspector visited packhouses and orchards in early July but no exports to this market have commenced. Exports to other special markets have also been disappointing with only three consignments exported to India and a total of four to China. Main contributing factors were:

- Weather impacts (frost, hail, wind damage), particularly in the Southern Cape and KZN,
- Some fruit retained for the local market during periods of poor export prices.

Global perishable produce exports remained extremely competitive and non-technical trade barriers (NTB's) becoming 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 and with a strong focus on quality, affordability, and convenience. South Africa therefore needs to differentiate itself by ensuring a 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.

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 has catapulted to amongst the top 5 risks globally, with South Africa having the 3rd 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 world order
- Protectionism
- Misinformation and disinformation

1.2 Internal Environment Analysis

The PPECB is constituted and mandated in terms of the Perishable Products Export Control Act (PPEC Act), No 9, of 1983 to perform cold chain services. The PPECB also delivers inspection and food safety services assigned by the Department of Agriculture under the APS Act, No.119 of 1990. 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 that 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: Accountability, Agility, Collaboration, Innovation, Integrity and Professionalism.

Strategic Objectives:

- To further improve the customer experience through seamless integration with PPECB systems
- The provision of timeous and relevant inspection and shipping information
- Continuous improvement through a process of transformation, innovation, and digitalisation.
- Improved business efficiencies to ensure effective service delivery at reduced cost.
- Increased number of black smallholder farmers and suppliers that the PPECB assists

The PPECB's strategy is driven and executed by 4 main programmes:

Corporate Services Programme – this programme operates cross-functionally with the primary aim to deliver 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 the Food Safety Programme is to ensure compliance to the regulations that are applicable 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.

Environment, Social and Governance (ESG): In 2022, the PPECB embarked on a project to determine its corporate carbon footprint. Blue North Sustainability (Pty) Ltd was appointed to conduct this exercise. The carbon footprint for the entity was calculated for the offices, laboratory as well as business travel. The GHG protocol Corporate Standard methodology was followed to calculate the carbon footprint. The period of review was from 1 April 2020 to 31 March 2021. Focus areas were identified and a carbon footprint action plan was agreed.

The PPECB RISCO was tasked to conduct a sustainability assessment which entailed scoring in respect of progress of identified actions. The assessment incorporated the actions from the carbon footprint action plan into a sustainability report which is reviewed by the board on a quarterly basis. In fulfilling its purpose, vision and mission, the PPECB as a national public entity and in executing its mandate, will strive to reduce its carbon footprint, foster a fair, inclusive and safe environment for its employees, further the use of responsible waste management practices, and ensure the quality, access and protection of its business information and data. In order to achieve the above, the PPECB aims to focus on specific ESG initiatives in the implementation of its business strategy, decision making and operations.

Clients expect a consistent and more professional service as a 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 for the provision of intelligent market information. We will further review our operational model to allow for digitisation and change in methodologies, whilst continuing to ensure compliance. We are committed to improve the overall client experience through innovation and continuous improvement.”

The PPECB must adapt its products, services and processes to make it more user-friendly and easier to do business. We will further introduce more products and services over and above our core services that will increase our overall value proposition to government and industry. This will be achieved by continuous development of the mobile technology platform to accommodate all operational modules in both product inspection and cold chain. Further to stabilizing and enhancing an integrated ERP system as well as a centralized Human Capital Suite system to replace the current manual processes. Introducing the Project ECO, to ensure the drive for efficiencies, consolidation and optimization of systems and processes.

Both the organisation and individuals will need to put 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, unrestricted access to learning is becoming the game changer. However, for us to harness the benefits of this unlimited, unrestricted access to learning we need to develop into self-directed, agile, learners with a strong growth mind-set.

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 DoA, suppliers, clients, service providers such as producers, pack houses, cold stores, exporters and clearing & forwarding agents; processes and services to move beyond silos and to co-create new opportunities for creating 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:

- Further enhance our systems to allow for smoother integration and accessibility
- Strengthen our business intelligence 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®, ERP and Human Capital Suite (MyHC).
- Maximise the use of implemented systems to create further efficiencies, consolidation and optimization.
- Ensure seamless integration between PPECB and client systems where possible (ERP, TITAN 2.0®).
- Discover new business models to deliver services cost effectively and quicker.

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 PPECB,
- to provide dignified opportunities for people with disabilities (PWD) to gain skills, qualification and work experiences, and
- to create opportunities for youth to gain skills, qualification and work experience in the industry.

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

- Women in Leadership with 6 candidates
- People with Disabilities with 6 candidates.
- Graduates in business support areas in addition to the AETP programme

The PPECB is also continuing with the flagship Agri Export Technologist Programme (AETP) which is offered annually to unemployed and disadvantaged agriculture graduates. The 2026/27 target was set at 50 and will be reported on at the end of the financial year. Upon completion, all learners received further seasonal employment opportunities with the PPECB.

STRATEGIC PROJECTS

Project ECO (Efficiency, Cost, Optimisation):

During the Business Strategic objective analysis, it was highlighted that to successfully drive this strategy, the PPECB first needed to upgrade its ICT infrastructure systems. Since then, the organisation has been on a journey to replace legacy financial and information management systems and upgrade hardware that will be compatible with such systems. To date Navision has been replaced with Microsoft D365 as ERP and CRS has been replaced with Oracle. The automated inspection platform, TITAN 2.0® has seen more modules added and on average process 99% of all major products. All major servers have been moved to the cloud to improve uptime and availability of services. These system replacements and upgrades required significant financial investment which was absorbed by the PPECB and mainly funded from the organisation's general financial reserve.

One of the major drivers of the PPECB business strategy, is to create efficiencies and eventually reduce cost. With the renewal cycle basically complete and strategic projects entering a Business As Usual (BAU) phase, the organisation should now begin to reap the benefits and see a measured return on investments made.

The CEO launched Project ECO to accelerate organisational efficiencies that will result in reduced organisational costs. Such cost reductions should be permanent of nature and can be directly or indirectly linked to the investments made. The initiative was further motivated by:

- Stagnating Volumes
- Escalating costs
- Changing Trade environment
- Cost of Compliance
- Organisational Culture & Behavioural change
- Client Pressure

The main objective of the project is to create efficiencies and reduce cost. The project will be based on the following themes:

- Consolidation – look for opportunities to consolidate. Whether this is offices, processes or efforts.
- Simplification – remove complexities. Find the most simplistic and logical way complete a task or introduce a new or existing process. Review existing processes where relevant.
- Automation – automate processes to allow people to focus on their duties. This will also reduce human error.
- Optimisation – time is valuable. Keep meetings short and to the point. Have a clear agenda.
- Communication – communicate clearly to avoid confusion. Engagements should be face-to-face when possible.
- Motivation – employees are our most expensive resource. Keep them motivated and engaged. This will increase productivity.

Laboratory Expansion

On the 22 August 2022, the PPECB Board approved a business plan detailing a turnaround and expansion strategy for the viability of the Laboratory. The basis for this turnaround and expansion strategy was to increase the number of samples submitted for analysis and increase the current service offerings to create a one-stop-shop service to clients.

The three-phase approach that was approved entailed the following:

- Phase 1 - Ensure the current viability of the laboratory by procuring a LC-MS/MS as sufficient statutory samples for pesticide residue are available.
- Phase 2 - Create sufficient capacity in the PPECB laboratory to analyse all statutory mycotoxin and pesticide residue samples.
- Create capacity for the PPECB laboratory to function as the National Reference Laboratory of DoA.

The turnaround plan for the PPECB Laboratory is well underway, with phase 1 and 2 being finalized and implementation is underway. The financial investment is significant and therefore return on investment will be a major focus going forward. There is also a drive to increase the percentage of MRL analytes scope to maintain the accreditation status for Officially Recognised Laboratories (ORL). The PPECB Laboratory must test for all plant protection products (pesticides), relevant to its scope of accreditation, that have been registered for use in South Africa. These products are outlined as Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (No. 36 of 1947) and updates of the Act as communicated by the DoA Directorate: Food Safety and Quality Assurance.

eCert

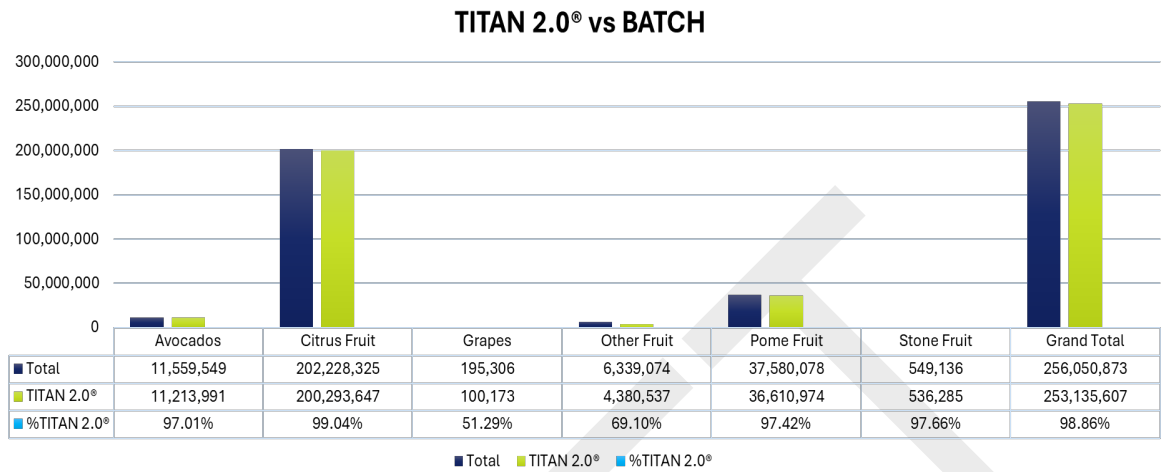
From 1 October 2025, the Perishable Products Export Control Board (PPECB) took over the administration of the eCert platform. eCert is an online system for phytosanitary certification designed to receive, verify, process, and deliver certification documentation to trading partners involved in agricultural exports. It plays a critical role in ensuring that our industry maintains efficiency, compliance, and trust in global trade. During the time of transition, the PPECB worked closely with Fruit South Africa, the DoA and the eCert team to ensure there is no disruption to services and minimal impact on eCert clients. This transition is an exciting step forward in our digitalisation journey, enhancing both efficiency and service in the export certification process. It also brings several important benefits:

- Improved alignment: Managing eCert within PPECB strengthens integration across inspection, certification, and export processes
- Shared expertise: The eCert and TITAN 2.0[®] teams will collaborate, share insights, and build on an expanded skills base
- Enhanced service delivery: Combining PPECB's oversight with eCert's proven capabilities ensures the platform continues to evolve and meet the needs of exporters and trading partners

BUSINESS AS USUAL

TITAN 2.0®

The following results were achieved per product on TITAN 2.0® from 01 April to 30 September 2025:

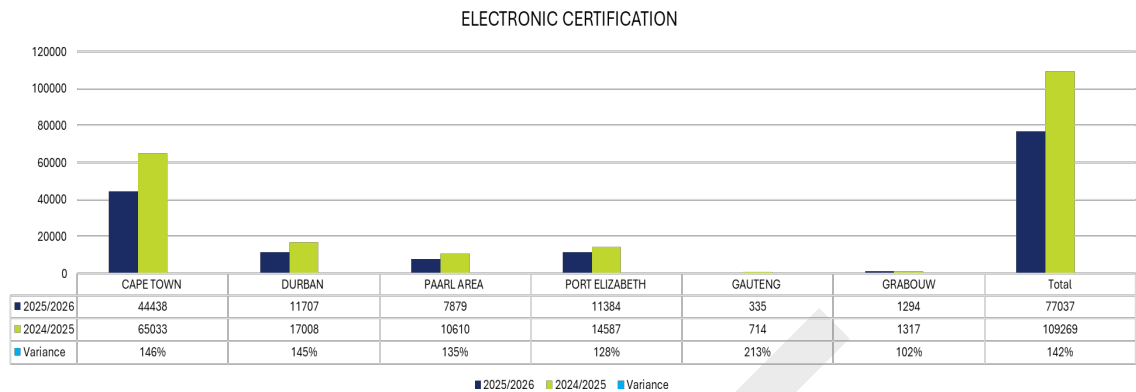


A total of 99% of all the major products were inspected on the TITAN 2.0® system, compared to 95% for the same period in the previous financial year. This is mainly due to the significant increase in the citrus export volumes. The TITAN 2.0® roadmap for 2026/27 was approved and the focus for Product Inspection will be the development of the digital Export Certificate and the onboarding of non-TITAN products. The process for digitising the Export Certificate is in progress and deployment is scheduled in Q3. A meeting was also conducted with the Executive Officer on 18 July 2025 to obtain approval for the digitalisation of the Export Certificate, which was approved. During Q2, the focus was on the development of the Organisational Linking and Nomination, and a demo was done on 11 September 2025 to the industry and deployment is also scheduled to be concluded in Q3.

The TITAN 2.0® Sprint Planning Workshop was conducted on 14 July 2025. The prioritization of change requests was discussed and during that process, the Container Loading change, Organisational Nomination and Linking and Digital Export Certificate. Sprint Planning sessions were also conducted in preparation for the 3-week sprints. There is an overall change freeze planned, effected from 15 December 2025 to 12 January 2026, which applied to all infrastructure and applications within the production environment, during this period, limited work will be done.

Monthly Change Champion sessions are held for both Product Inspection and Cold Chain. Business Optimisation are in process of confirming the Change Champion capacity and the nomination of additional Champs, from the regions. The roles of the Champs will be reviewed and aligned to the PPECB Client Support model that currently being implemented. There was continuous refresher training session conducted with all Champs and updating of the TITAN 2.0® manuals is also in progress.

TITAN 2.0® Electronic Export Certificates for the period 01 April 2025 to 30 September 2025.



A total of 109 269 Electronic Export Certificates were processed on the TITAN 2.0® platform for the period 01 April 2025 until the 30 September 2025. Previous year, for the same period there were 77,037 certificates processed electronically, which is an increase of 32,232 certificates. Most of the certificates were processed for Citrus and that amounts to 95,018 electronic certificates (87%). More clients are processing certificates electronically due to the efficiency of the process and there was also an increase in the uptake due to higher volume citrus exports and new vendors interfacing with the system. Due to the increase in the applications, there were intermitted challenges experienced with the performance of the system, however this was reported and addressed accordingly. The Avocado certificates were processed through the TITAN 2.0® system, with a total of 1,604 certificates and with the Pome season in progress, year to date 11,669 certificates were processed electronically.

Container Loading

The container loading module was divided into Minimum Lovable Product (MLP) phases, 3.0, 3.5, and 4.0, covering normal and EU container loading, cold treatment, non-food business operators, and reporting functions. MLP 3.0's deployment has been delayed due to technical issues with the Android Package Kit (APK), including three critical bugs preventing go-live. The launch is now targeted for November. Exporters continue to dispute their obligation to supply PPECB with load-out instructions, prompting management to seek further clarification way forward.

Organisational Linking

The organizational linking module has also faced setbacks due to data quality issues and system bugs. Despite completed user acceptance testing and communication readiness, the live date may be postponed further to ensure reliability and data integrity. Deployment to be done by the end of the Q3.

TITAN 2.0® Focus areas

The focus areas for Product Inspection for Q4, will be for Digital Export Certification and non-TITAN products. On Cold Chain, the priority will be given to the container loading module to be deployed.

ENTERPRISE RESOURCE PLANNING (ERP) – Microsoft 365

The PPECB ERP is fully implemented and moved to the business-as-usual status, however enhancements to improve system performance, efficiency and increased automation are focus areas for the next three to five years.

The ERP allows 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.
- Improvement in the experience that customers, partners and vendors have.

The ERP system for both Financial and Operational transactions have been implemented. Enhancements to the system were implemented as the business becomes more comfortable with the system opportunities for efficiencies are identified and implemented dependent on approval of costs. With the internal component of the ERP having stabilised sufficiently the focus is now on improving efficiencies for external parties like vendors and customers. The customer portal was planned for implementation by mid-2025 and went live in week 44, which will enable customers to register with PPECB, receive invoices and statements, log service requests and queries online. The vendor collaboration portal will be implemented in 2026, this will enable vendors to register with PPECB, submit invoices and submit quotations online

HUMAN CAPITAL SUITE (MYHC) - ORACLE

Oracle Fusion was implemented in 2024 to automate most of the Human Capital processes thereby improving efficiencies and reporting. Modules which are live for use by all PPECB employees include leave management, recruitment, HR help desk and learning. Modules currently live for Human Capital employees which will be released to PPECB employees in 2025 include Talent Management (including performance management), Health and Safety and Work Life. The new Human Capital Management Suite (HCM), which will be replacing the stand-alone legacy systems and spreadsheets to integrate disparate sources of people's information and ultimately optimise delivery.

PART C: MEASURING OUR PERFORMANCE

1. Institutional programme 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 small farmers; and focusing on establishing a professional and well-trained staff complement that can add value to the perishable export industry. The priority area of the Statutory Operations programme will be to increase capacity of the workforce that is multi-skilled; competent; consistent and uniform in its inspection and cold chain activities. PPECB will continue to develop its mobile platform to conduct electronic export certification, container loading and enhance the integrated ERP and Human Capital systems. 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.

1.1 Programmes

Programme 1: Corporate Services

The Corporate Services Programme operates cross-functionally with the primary aim 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, 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 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.

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, 1972 (Act No. 54 of 1972) prevents any person to put into international trade any food that is unfit for human consumption. The Agricultural Products Standards Act, 1990 (Act 119 of 1990) 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 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 No. 1145 tolerance for fungus-

produced toxins in foodstuffs) and conduct compositional testing of dairy products (Regulation No. R2581 relating to dairy products and imitation dairy products) destined for the export market.

Purpose

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.

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 an annual learnership at National Qualification Framework (NQF) level 5, exposing unemployed Agricultural graduates to the postharvest 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 Agri-SETA. In collaboration with Agri-SETA, the PPECB provides 12-month graduate placements to provide job exposure in fields like ICT, Finance, Human Resources, Marketing and Analytical Services to unemployed graduates. People with Disabilities are similarly provided with opportunities to gain meaningful work exposure. PPECB is also providing opportunities for students in the process of studying agriculture related qualifications to complete their qualifications by offering workplace exposure which contributes to the final requirement for the students graduating.

Internal Capacity Building

The PPECB developed a Talent Management Framework to ensure that we identify mission critical positions and identify and develop high-potential talent pools for potential succession. Bespoke talent development opportunities are developed for each critical position to provide potential talent to exposure to critical elements in the role. Focus areas include upskilling of women leaders and developing leadership potential of PPECB employees. The PPECB Leadership Development Programme targets upskilling of supervisory and junior management potential (NQF 4) and middle-management level (NQF 5).

The Women in Leadership (WIL) development programme was initiated to ensure that women are accelerated so that they can assume leadership roles as these are currently predominantly occupied by their male counterparts. In addition, a People With Disabilities (PWD) Graduate programme was implemented to provide work experience to PWDs and the opportunity to obtain meaningful work in the industry. The PPECB is implementing an integrated Human Capital Management (HCM) system, to enable integration of employee performance, training and relevant data. The Learning module has been successfully implemented, also ensuring that employees have access to e-learning. Performance Management is currently being rolled out. The Career Development and Talent Review modules will then follow and will serve as an enabler for managers to track and guide their team members development.

Internal development focuses on women and trying to develop youth with potential as well as launching a learnership programme on youth with disabilities in 2021/2022, which will be continuing in 2026/2027. Over and above the training, coaching and mentoring that we provide for our internal stakeholders, we also have a dedicated programme for ensuring uniform interpretation and consistent application of standards during execution of product inspections, cold chain functions and food safety audits.

The Harmonisation specialists aim at mitigating the risks of incorrect decision-making during inspections and cold chain functions, enhances confidence levels of employees and associated clients during service delivery. The progress of the harmonization program for this financial year 2025/2026 is as follows: Citrus ASTI's in Citrusdal and Tzaneen attended by 37 Inspectors. Pome ASTI, Citrusdal attended by 16 Inspectors. 849 Inspectors/assessors attended manual discussions; 311 inspectors concluded various refresher "koffers"; 472 inspectors/assessors written competency tests; 417 Inspectors written the uniformity tests as well as 364 Inspectors written the CBS tests, and 408 Inspectors/Assessors were evaluated and deemed competent. A Harmonisation strategic workshop will be conducted during October 2025 to review the ways of working and potential re-alignment of activities.

The PPECB is concluding the final year of our Leadership Development Programme (LDP) on the National Qualifications Framework (NQF) due to the South African transition to Occupational Qualifications. 65 learners have graduated, and the last 20 employees are progressing and expected to complete the NQF Level 4 programme in March 2026. The LDP curriculum was updated with 4IR leadership competencies to ensure that PPECB leadership practices support the requirements of the new world of work. The post-assessment results are used to identify high-potential future leaders for the PPECB to support talent management for future leadership positions.

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 the unlimited, unrestricted access to learning mentioned above. Innovation should be encouraged, and people be allowed to explore, experiment and fail without fear of being punished. Employees also need the space to unlearn redundant competencies and relearn what is relevant for the future.

Smallholder Farmer Development

The Transformation unit focuses on External Development services aimed at exposing 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 services all provinces in South Africa. Collaboration not only extends to sister SOE's but also to commercial development partners.

There is currently ongoing engagements between the DoA and the PPECB relating to this programme.

1.2 Sub Programme (not applicable)

1.3. Outcomes, Outputs, Performance Indicators and Targets

Programme 1: Corporate Services			Audited Performance			Estimated performance	MTEF Targets		
Outcome	Output	Output Indicators	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Increased number of black smallholder farmers and suppliers that the PPECB assists	Transformed Business to allow black business to participate in SA economy	Procuring from B-BBEE suppliers as % of total procurement spend.	95%	81%	87%	87%	85%	87%	90%
Improved business efficiencies to ensure effective service delivery at reduced cost.	Financial Sustainability	Strategic Supplier Performance index measured quarterly as a %	-	-	-	80%	80%	80%	80%
Improved business efficiencies to ensure effective service delivery at reduced cost.	Efficient service delivery through client subscriptions on e-platforms	Number of customers onboarded on the PPECB Intellex platform	-	-	-	17	17	19	25
Increased number of black smallholder farmers and suppliers that the PPECB assists	Transformed Business to allow black business to participate in SA economy	Rand value spent on Enterprise Supplier Development (R'million)	-	-	R2.34	R1.60	R1.60	R2.0	R2.30
To further improve the customer experience through seamless integration with PPECB systems	Informed and Satisfied Stakeholder Base	Organisational customer satisfaction index measured annually as a %	89%	90%	90%	80%	80%	80%	80%

Programme 2: Operational Services			Audited performance			Estimated performance	MTEF Targets		
Outcome	Output	Output Indicators	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Continuous improvement through a process of transformation, innovation, and digitalisation.	Efficient service delivery through client subscriptions on e-platforms	Reduce carbon footprint by decreasing the % of export certificates printed	-	-	-	-	50%	60%	90%
		% of Container Loading processed via TITAN 2.0®	-	-	-	10%	30%	50%	72%
		% of inspected Perishable Products processed via TITAN 2.0®	-	-	-	-	30%	40%	60%

Programme 3: Food Safety Services			Audited Performance			Estimated performance	MTEF Targets		
Outcome	Output	Output Indicators	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Improved business efficiencies to ensure effective service delivery at reduced cost.	Confidence in SA Food Safety Assurance systems	Increase the % of MRL analytes scope to maintain the accreditation status for Officially Recognised Laboratories (ORL)	-	-	-	-	80%	95%	100%
		Number of food safety audits conducted	1036	1210	1209	1200	1220	1250	1300

Programme 4: Transformation and Development Services			Audited performance			Estimated Performance	MTEF Targets		
Outcome	Output	Output Indicators	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Continuous improvement through a process of transformation, innovation, and digitalisation.	Capacity Building	Number of students graduated through the Agri Export Technologist Learnership Programme (AETP) annually	52	51	53	50	50	50	50
Continuous improvement through a process of transformation, innovation, and digitalisation.	Capacity Building	Number of People with Disabilities (PWD) Graduate Placements	-	-	-	-	6	6	6
Increased number of black smallholder farmers and suppliers that the PPECB assists	Capacity Building	Number of smallholder farmers trained in business skills	-	-	-	-	25	30	35
Improved business efficiencies to ensure effective service delivery at reduced cost.	Competent staff	% of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent, to fulfil the PPECB mandates	98%	97%	95%	92%	92%	93%	93%

1.4 Output Indicators: Annual and Quarterly Targets 2026/2027

Programme 1: Corporate Services	2026/2027	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Procuring from B-BBEE suppliers as % of total procurement spend*	85%	79%	81%	83%	85%
Strategic Supplier Performance index measured quarterly as a %*	80%	80%	80%	80%	80%
Number of customers onboarded on the PPECB Intellex platform*	17	10	13	15	17
Rand value spent on Enterprise Supplier Development (R'million)*	R1.60	R0.32	R0.64	R1.12	R1.60
Organisational customer satisfaction index measured annually as a %**	80%	-	-	-	80%

Programme 2: Operational Services	2026/2027	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Reduce carbon footprint by decreasing the % of export certificates printed*	50%	16%	40%	45%	50%
% of Container Loading processed via TITAN 2.0®*	30%	15%	20%	25%	30%
% of inspected Perishable Products processed via TITAN 2.0®*	30%	25%	27%	28%	30%

Programme 3: Food Safety Services	2026/2027	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Increase the % of MRL analytes scope to maintain the accreditation status for Officially Recognised Laboratories (ORL)**	80%	-	-	-	80%
Number of food safety audits conducted *	1220	400	600	1050	1220

Programme 4: Transformation and Development Services	2026/2027	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of students graduated through the Agri Export Technologist Learnership Programme (AETP) annually**	50	-	-	-	50
Number of People with Disabilities (PWD) Graduate Placements**	6	-	-	-	6
Number of smallholder farmers trained in business skills**	25	-	-	-	25
% of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent, to fulfil the PPECB mandates*	92%	80%	85%	88%	92%

* These targets are cumulative

** These targets are annual

1.5 Explanation of planned performance over the medium-term period

The PPECB's strategy is driven and executed by four main programmes four Strategic Programmes (Programme 1: Corporate Services, Programme 2: Operational Services, Programme 3: Food Safety Services, Programme 4: Transformation and Development Services) with the following priorities:

- 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 (Business Intelligence)
- Continuous improvement through a process of transformation, innovation, and digitalization
- Improved business efficiencies to ensure effective service delivery and contain cost
- Improved business sustainability for black smallholder farmers and suppliers

The organisational culture required is one that promotes lifelong learning, which includes measuring and finding opportunities to enhance performance. All programme's deliverables are aligned to ensure that the credibility of South African Export Certificate is maintained to prevent markets from closing by ensuring the business delivers on its delegated mandate, remains sustainable and complies to recognized governance practices. Our service delivery and transformation programme's performance are focussed on creating confidence in South Africa's capability to deliver products that meet global standards and at the same time enabling previously disadvantaged communities to become economically participative in export programmes. This will be done through the training and development programmes and sound application will be audited by our food safety and quality inspection programmes.

PPECB's food safety programme deliverables are to:

- Ensure consistent production of safe and quality products by reducing risks of compromised food quality.
- Maintain consumer (local and international) confidence in food safety and quality by using reliable, advanced, and rapid technologies in testing quality characteristics of food to ensure compliance, and testing mycotoxin tolerance levels, pesticide residues and microorganisms.
- Promote safe production practices for growers through food safety audits and strengthening national food control systems.
- Reduce the negative impact on the environment by ensuring compliance to regulations.
- Reposition the PPECB Laboratory to provide further support to DoA and promote the export of safe food.
- Introduce Verified Gross Mass (VGM) as an additional service offering.

The PPECB employees have enviable expertise in quality standards, food safety and cold chain management in particular, and it plays to its strength as an organisation in imparting that knowledge. The Transformation and Development Services Programme is aimed at building capacity through the development of internal and external skills. The PPECB puts a lot of emphasis in capacity building by providing development opportunities to both internal and external stakeholders. 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.

Over and above the training, coaching and mentoring that we provide for our internal stakeholders, we also have a dedicated programme for ensuring uniform interpretation and consistent application of standards during execution of product inspections, cold chain functions and food safety audits. The Harmonisation specialists aim at mitigating the risks of incorrect decision-making during inspections and cold chain functions, enhances confidence levels of employees and associated clients during service delivery.

1.6 Programme Resource Considerations

The MTEF supports the funding of programmes to achieve its performance targets. The funding that is allocated to the various programmes includes:

R thousand	Audited outcome			Revised Estimate (B2026)	Average Growth Rate %	As % of Total %	Medium-term estimate					Average Growth Rate %	As % of Total %
	2022/23	2023/24	2024/25	2025/26	2023 to 2026	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2027 to 2031	2030/31
PROGRAMME													
Corporate Services	162,555	179,487	180,693	210,161	9%	27%	220,669	231,703	243,288	255,452	268,225	5.0%	27.3%
Statutory Services	386,352	406,316	421,036	502,067	9%	64%	514,901	540,646	567,678	596,062	625,865	5.0%	63.8%
Food Safety Services	28,761	35,678	40,798	55,127	25%	7%	57,883	60,778	63,816	67,007	70,358	5.0%	7.2%
Transformation & Development Services	6,385	8,035	10,433	13,098	27%	2%	13,753	14,441	15,163	15,921	16,717	5.0%	1.7%
TOTAL EXPENSES	584,053	629,515	652,960	780,453	10%	100%	807,206	847,566	889,945	934,442	981,164	5.0%	100.0%

The Perishable Products Export Control Board is a Schedule 3A National Public Entity which is self-funded. The entity does not receive allocations or grants from Government and as such is funded by raising statutory fees (levies) which is approved by its Accounting Authority, the Department of Agriculture. The PPECB follows a priority planning expenditure framework. This framework is guided by the entity's five-year strategic plan. The PPECB's planning expenditure framework currently prioritizes the following:

- Expansion of the analytical laboratory
- enhancements to the Enterprise Resource Planning (ERP) system
- further development of the PPECB's TITAN 2.0[®] electronic inspection platform
- implementation of a Human Capital Management Suite (HCM)

To ensure the successful achievement of these strategic objectives, continued material funding is required. This is provided through the entity's General Reserve Fund in terms of Sections 11(f) and 18(7) of the Perishable Products Act 9 of 1983 due to it being self-funded and to mitigate the reliance on excessive statutory fee (levy) increases as well as the inherent risk that is associated with a perishable product industry. Given the current constrained fiscal environment, the PPECB's prudent approach would include the continued utilization of its general reserve fund to sustain its operations. alleviate requesting financial assistance from the fiscus.

2. Updated Key Risks and Mitigations

Below is a summary of the key risks and mitigations.

Outcomes	Key Risks	Risk Mitigations (Current controls and Actions)
All	The PPECB may not be financially sustainable	<ul style="list-style-type: none"> • Approved and implemented new business strategy • Monthly monitoring of the financial health of the entity • Benchmarking with counterparts in other countries, governments, grower associations, lobby groups, importers on acceptable, good and regulated practices, which could lead to more cost-efficient risk management practices • Monthly monitoring of volumes and performance of business unit. • Reserves are managed to sustain operations (for two months). • Adherence to the approved Medium Term Expenditure Framework • Applying approved model for levy determination (there is an approved model visible to the appropriate people and the model can be improved. No updated costing model. • Constant review of actual expenditure in line with cost containment budgeted expenditure • Annual resource planning and budget planning. • Review forward cover for exchange/fixed exchange rate when required • Oversight by the Audit Committee • Annual procurement and contract management training • Data Governance Forum ensuring accuracy and timely provision of data for reporting • Oversight by Strategic Project Steering Committee • Credit note writeback. • Business process optimisation sessions between Operations and ICT"
All	Failure to comply with laws, regulations, industry standards, and/or internal policies	<ul style="list-style-type: none"> • Oversight by the Board and the Audit Committee • Internal audit and external audit reviews (ISO, financial etc) • Implementation of the harmonisation program • ICT policies related to Cyber Security governance and data security are in place for internal and external, and updated annually. • Cybersecurity continuous awareness and annual refresher training for staff to create a data privacy culture within the entity. • DoA conducts audits on regulatory processes • Maintenance of Legal Compliance risk register • Continuous scanning of the legislative environment (Lexis Nexis / Alerts) and best practice • Botswana Bureau of standards conduct audits once every 2 years • Training provided on high-risk compliance processes • Standards and protocol desk • Monthly connect sessions • Automation and/or implementation of business rules or controls identified has been completed in systems and applications as per legal compliance risk register (ongoing identification rem

Outcomes	Key Risks	Risk Mitigations (Current controls and Actions)
<p>To further improve the customer experience through seamless integration with PPECB systems</p>	<p>Inability to keep abreast with latest industry developments in terms of systems and integrations to these systems</p>	<ul style="list-style-type: none"> • Annual Customer Satisfaction survey • Employee value proposition • Implementation of UPS backup power for ICT equipment • Implementation of Business Continuity Strategy • Oversight by Strategic Project Steering Committee • Customer Support Model • Horticulture Industry Code Standardisation workshops. • Monthly ICT partner meetings • R&D Initiatives • Review of TITAN 2.0® roadmap to fast track high impact modules • Technical Task Team with industry stakeholders
<p>The provision of timeous and relevant inspection and shipping information</p>	<p>Accurate Data may not be readily available, and secure</p>	<ul style="list-style-type: none"> • Data Governance Forum to address data anomalies that may have an adverse impact on the PPECB. • 24/7 preventative management and monitoring of Cyber Security controls • Internal & External Penetration testing conducted annually for PPECB and any new implemented solution. Corrective action management plans combine with Audit feedback. • Segregation of laboratory network from the PPECB network. • Cybersecurity continuous awareness and annual refresher training for staff to create a data privacy culture within the entity. • Oversight by Strategic Project Steering Committee • Implementation of Third-Party Security Policy • Due diligence of Third-Party suppliers • Architectural Forum to review integration of systems • Selective Data Validation and verification
<p>Continuous improvement through a process of transformation, innovation, and digitalisation</p> <p>Improved business efficiencies to ensure effective service delivery at reduced cost"</p>	<p>People, process, and technology may not effectively and efficiently support and enhance the business operations</p>	<ul style="list-style-type: none"> • Approved and implemented Change Management Strategy • Approved and implemented business strategy • Disaster Recovery Plan and update of Business Continuity Plan in accordance with risk assessment outcomes and Business Impact Analysis (BIA). • Infrastructure review assessments (annually). • Oversight by Strategic Project Steering Committee • Annual review of asset replacement plan • Automation and/or implementation of business rules or controls in systems and applications, completed as per legal compliance risk register • Storage capacity is increased monthly, as per incremental calculation • Monitoring and control of BAU portion of applications is in place • Continuous people development initiatives linked to business objectives

3. Public Entities (not applicable)

Not applicable

4. Infrastructure Projects (not applicable)

Not applicable.

5. Public-Private Partnerships (not applicable)

Not applicable.

DRAFT

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
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	Strategic Supplier Performance index measured quarterly as a %
Definition	The number of strategic contracted suppliers who had supplier evaluations completed. Reporting on the performance percentage of Strategic Suppliers that deliver a service to the PPECB.
Source of data	Strategic contracted suppliers formally appraised and completed assessments submitted to Procurement.
Method of Calculation	The data is gathered by procurement from the feedback received in the performance evaluation surveys completed on quarterly basis. The % is calculated as a sum of all ratings received.
Means of verification	Count the number of targeted strategic supplier evaluations that the Contract Manager assessed for performance and submitted the completed assessment to Procurement.
Assumptions	Contract Managers formally assessed the targeted strategic suppliers through a discussion with the suppliers.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Achieve the targeted performance % of strategic contracted suppliers who had supplier evaluations completed.
Indicator Responsibility	Procurement Manager

Indicator Title	Number of customers onboarded on the PPECB Intellex platform
Definition	Number of customers onboarded on Intellex – PPECB Business Intelligence Platform
Source of data	Monthly report from PPECB Website platform
Method of calculation	Cumulative count over a period of onboarded customers
Means of verification	Monthly report from PPECB Website platform
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 cumulative number of customers onboarded on the PPECB Intellex platform for the fiscal year
Indicator responsibility	ICT Management

Indicator Title	Rand value spent on Enterprise Supplier Development (R'million)
Definition	Rand value invested in the Development of ESD beneficiaries
Source of data	Transactions processed in D365.
Method of calculation	Total rand value of expenses that meet the criteria of ESD.
Means of verification	Proof of payments
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 spend on ESD beneficiaries
Indicator responsibility	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	Reduce carbon footprint by decreasing the % of export certificates printed
Definition	Decrease the carbon footprint, by the digitalisation of the export certificates that is processed by the PPECB.
Source of data	Monthly report from PPECB mobile technology system.
Method of calculation	Number of digital export certificates processed, divided by the total number of export certificates processed by the PPECB per month.
Means of verification	TITAN 2.0® (mobile application) compared to system generated report.
Assumptions	That there will be limited system challenges and a favourable uptake by clients.
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 digitally, for the fiscal year.
Indicator responsibility	General Managers : Operations / Application Development Manager

Indicator Title	% of Container Loading processed via TITAN 2.0®
Definition	% of Container Loading processed via TITAN 2.0®
Source of data	Monthly report from PPECB mobile PPECB Mobile Application
Method of calculation	Number of containers loaded conducted using TITAN 2.0® divided by the total number of containers loaded 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 loaded on TITAN 2.0® for the fiscal year
Indicator responsibility	ICT Management and Operations General Managers

Indicator Title	% of inspected Perishable Products processed via TITAN 2.0®
Definition	Increase the number of inspected products processed via TITAN 2.0® as a % of the total products inspected by the PPECB.
Source of data	Monthly report from PPECB mobile technology system
Method of calculation	Number of products inspected using the TITAN 2.0® system, divided by the total number of products inspected overall.
Means of verification	TITAN 2.0® (mobile application) inspections per product and approved list of Perishable Products.
Assumptions	The system development will be in line with scheduled deployments and positive uptake by clients.
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 products inspected on TITAN 2.0® for the fiscal year.
Indicator responsibility	ICT Management and Operations General Managers

PROGRAMME 3: FOOD SAFETY SERVICES	
Indicator Title	Increase the % of MRL analytes scope to maintain the accreditation status for Officially Recognised Laboratories (ORL).
Definition	The PPECB Laboratory must test for all plant protection products (pesticides), relevant to its scope of accreditation, that have been registered for use in South Africa.
Source of data	Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (No. 36 of 1947) and updates of the Act as communicated by the DoA Directorate: Food Safety and Quality Assurance
Method of calculation	Calculated as a percentage of the total number of plant protection products (pesticides), relevant to the laboratory's scope of accreditation, listed in Act No.36 of 1947
Means of verification	Updated list of accredited MRL analytes relative to the Act No. 36 list of analytes.
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Percentage
Reporting cycle	Annually
Desired performance	A higher than target performance is preferred, as an increased accredited scope of analyses for testing is indicative of compliance to 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 Learnership Programme (AETP) annually
Definition	This is the number of people who fulfil all the requirements of the learnership who are then awarded with 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 through stipulating the number of students graduated (who successfully meet the final requirements of the learnership)
Means of verification	Agri Seta 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 smallholder farmers trained in business skills
Definition	Reporting on the number of smallholder farmers who are trained in business practices for the year
Source of data	The data is gathered from the training attendance registers
Method of calculation	A count of the number of smallholder farmers trained
Means of verification	Attendance registers
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 more smallholder farmers have gained business skills. Smallholder farmers are trained on how to manage finances, focus production to meet market demands and client engagement.
Indicator responsibility	Human Capital Executive / Organisational Development & Transformation Manager

Indicator Title	Number of People with Disabilities (PWD) Graduate Placements
Definition	Reporting on the number of People with Disabilities (PWD) graduate placements provided by the PPECB to provide workplace exposure to unemployed PWD's.
Source of data	The data is collected from the HCM systems.
Method of calculation	A count of the number of graduate placements
Means of verification	The applicant data is collected from the HCM systems and compiled into a report.
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Non-Cumulative
Reporting cycle	Annually
Desired performance	Increasing the number of PWD graduate placements provided by the PPECB provides a qualified talent pool that will meet the EE sectoral targets, in addition to providing workplace exposure to PWD's and contributing to job creation. The PPECB have made a number of successful placements from this programme over the past 3 years,
Indicator responsibility	Human Capital Executive

Indicator Title	Percentage of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent, to fulfil the PPECB mandates.
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 4-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 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	Chief Harmonisation Specialist

ANNEXURE A : GLOSSARY OF ACRONYMS & ABBREVIATIONS

4IR	Fourth Industrial Revolution
AETP	Agri Export Technologist Learnership Programme
AK	Altron Karabina
APAP	Agricultural Policy Action Plan
APHIS	Animal and Plant Health Inspection Services of USDA
API	Application Programming Interface
APK	Android Package Kit
APS	Agricultural Product Standards Act
BAU	Business as Usual
B-BBEE	Broad Based Black Economic Empowerment
BFAP	Bureau for Food and Agricultural Policy
BI	Business Intelligence
BIA	Business Impact Analysis
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
CGA	Citrus Growers Association
COVID-19	Coronavirus
CPUT	Cape Peninsula University of Technology
CRI	Citrus Research Institute
DG	Director General
DoA	Department of Agriculture
DSB	Dispute Settlement Body
eCert	Electronic Certification
EC	European Commission
ECO	Project Eco
EN	Export Notification (TITAN 2.0® cold chain)
EME	Exempted Micro Enterprises
ERP	Enterprise Resource Planning
ESD	European Green Deal
ESG	Environment, Social and Governance
EU	European Union
FBO	Food Business Operator
FCM	False Codling Moth
F2F	Farm to Fork
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
GHG	Greenhouse Gases Standard
Global GAP	Global Good Agricultural Practices
GNU	Government of National Unity
HACCP	Hazard Analysis and Critical Control Point
HCM	Human Capital Management Suite (Oracle)

IAM	Identity Access Management
ICT	Information and Communication Technology
IMF	International Monetary Fund
ISO	International Standard Organisation
KPA	Key Performance Areas
KPI	Key Performance Indicator
LDP	Leadership Development Programme
LIMS	Laboratory Information Management System
MAFF	Japanese Ministry of Agriculture, Forestry and Fisheries
MMDS	Multichannel Multipoint Distribution Service
MRL	Maximum residue level
MTDP	Medium Term Development Plan
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAV	Navision (Finance Application)
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NGO	Non-Governmental Organisation
NGP	National Growth Path
NQF	National Qualification Framework
NTB	Non-Technical Trade Barriers
ORL	Officially Recognised Laboratories
PAIA	Promotion of Access to Information Act
PDI	Previously Disadvantaged Individuals
PFMA	Public Finance Management Act
PIM	Privileged Identity Management
POPIA	Protection of Personal Information Act
PPE	Personal Protective Equipment
PPECB	Perishable Products Export Control Board
PUC	Production Unit Code
PHC	Packhouse Code
PWD	Persons with Disabilities
QSE	Qualifying Small Enterprises
QLFS	Quarterly Labour Force Survey
R&D	Research and Development
RMS	Risk Management System
RTG	Rubber Tyre Gantry Cranes
S&T	Subsistence & Travel allowance
SACOTA	South African Cereals and Oil Seeds Trade Association
SAGAP	South Africa Good Agricultural Practices
SATAWU	South African Transport Allied Workers Union
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

TITAN 2.0®	PPECB Mobile Application
TUM	Tracking Unit Manager
UK	United Kingdom
UNTU	United National Transport Union
UPS	Uninterruptible power supply
USA	United States of America
USDA	US Department of Agriculture
VGM	Verified Gross Mass
WEF	World Economic Forum
WEO	World Economic Outlook
WHO	World Health Organisation
WIL	Women in Leadership
WMO	World Meteorological Organisation
WTO	World Trade Organisation

DRAFT