

PPECB Annual Report Presentation to the Portfolio Committee

14 November 2023

```
technological change {  
    long-term >> Economic Advancements)  
    progress = Advancement.create(quality);  
    achieve = year.in_review, success);  
    purposeful(Goals objectives);  
    commitment(to + the market());
```

//22_23 >annual report

The Perishable Products Export Control Board

```
impact >>  
    Creating global confidence in  
    South African produce;  
  
key = target reached();  
    high client satisfaction (rating);  
    }
```

```
strategically advanced {  
    dynamic and progressive (2023 > beyond);  
    // progressing together
```



PPECB BOARD



Derek Donkin



Warren Bam



Pheladi Tlomatsane



Bongiwe Njobe



Jill-Atwood Palm



Mariette Kotze



Bonga Mavume



Michael Brinkhuis

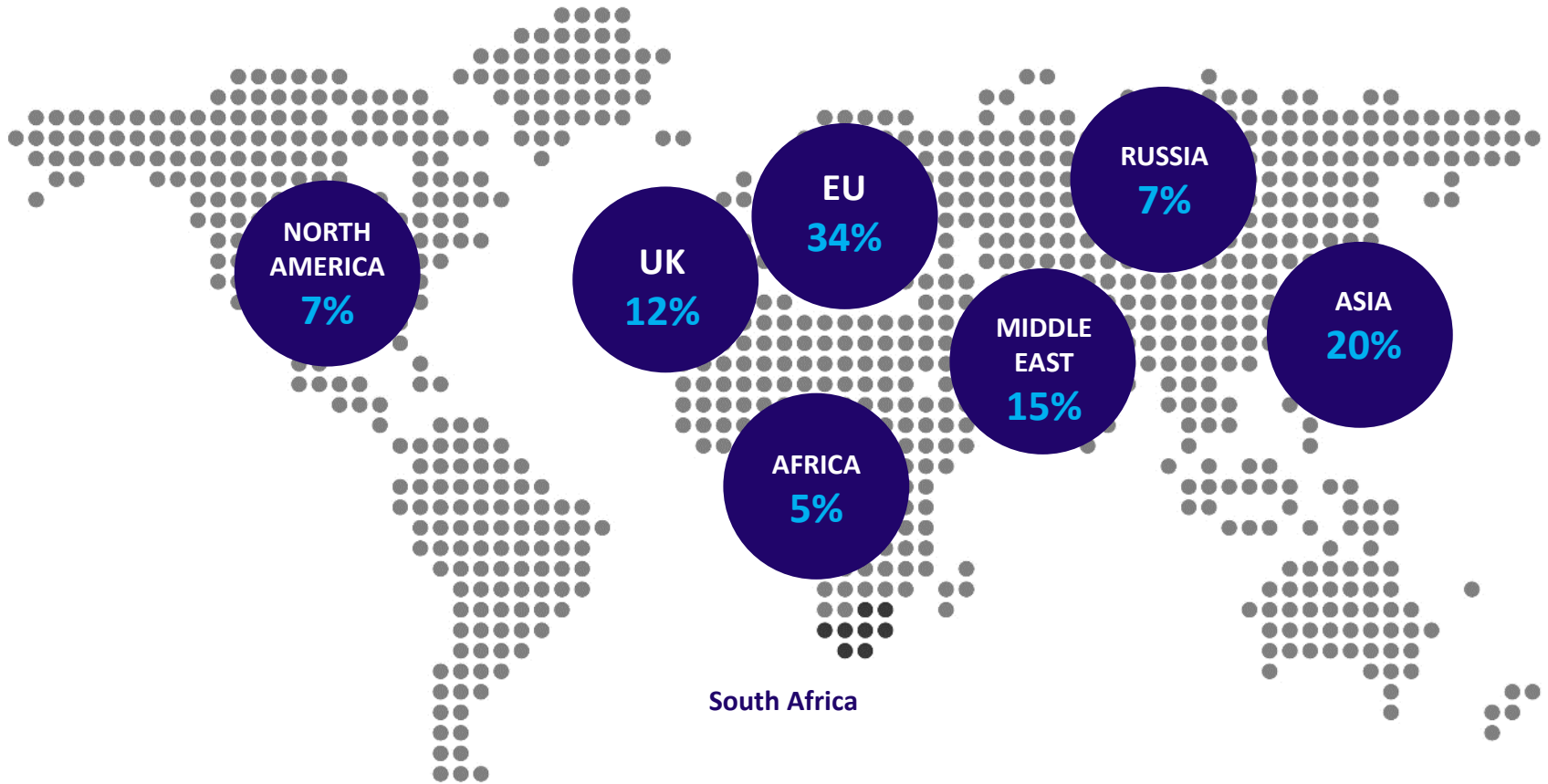


Ian Beukes



Charlotte Nkuna

MOVEMENT OF FRUIT



Volumes



EXPORT VOLUMES: CITRUS AND TABLE GRAPES



Citrus Fruit

170

million cartons

-1% compared to
previous year (soft
citrus +5%; grapefruit
– 18%)

CBS – 29 / FCM - 3

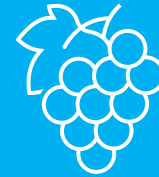


Table Grapes

59

million cartons

-14.5% compared to
previous year

Heavy Rains; Heat Wave

EXPORT VOLUMES: POME AND STONE FRUIT



Pome Fruit

63.9

million cartons

+4.8% compared to
previous year



Stone Fruit

21

million cartons

-8.6% compared to
previous year

EXPORT VOLUMES: AVOCADOS AND GRAIN



Avocados

16

million cartons

+17% compared to
previous year



Grain Products

4

million tonnes

Maize – 3.4 million tonnes

Asia:52% | Africa: 25%



EXPORT CERTIFICATION

186 468

Certificates processed



9637

Incorrect



7212

Cancelled (+5.8%)



+2.7%
increase
compared to
previous year

EQUIPMENT CERTIFICATION



34 596

(8.2%) REJECTED (+60%)

421 174

CONTAINERS INSPECTED

= R1.7 billion

FOOD SAFETY



LABORATORY (ISO 17025)

19 575 Samples



FOOD SAFETY AUDITS

1036 Audits

SAGAP Mainly



RESEARCH AND DEVELOPMENT

OECD Climate
Change Study

Fruit Waste/Loss

Temperature
Regimes

MoU CCA



TITAN 2.0®



TITAN 2.0®

92%

315 MILLION CARTONS (+12%)

1002 Activity Points

95%
CITRUS

98%
GRAPES

78%
POME

91%
STONE

92%
AVO'S





Financial Information

FINANCIAL RATIOS

Performance

Ratio	F2023
Income Growth Recover Expenses	4.7%
Volume Growth 3% to 5%	0.2%
Levy % Change Below CPI	4.5%
Contribution % 55%	48%
Bad debt/Income % 0.1%	0.04%

Reserves

Ratio	F2023
General Reserve/Expense Ratio 33%	34.7%
Cash Backed Risk-Coverage-Reserve 60%	75.3%

Position

Ratio	F2023
Asset/Reserve Ratio 1.5	134%
Current Ratio 2.0	3.2
Cash or Quick Ratio 1.0	2.1

Cash Flows

Ratio	F2023
Cash Flow/Revenue 5%	0.5%
Collection Period Days 45 days	45

FINANCIAL PERFORMANCE RESULTS

Net Result
R 12.5 million

B2023: (R28.2 million)

F2022: R 35.4 million

Income

R596.5 million

B2023: R560m (▲7%)

F2022: R563m (▲6%)

Expenditure

R584.1 million

B2023: R588m (▲-1%)

F2022: R527m (▲11%)

Employee

R414.1 million 71% of Total

B2023: R401m (▲3%)

F2022: R374m (▲11%)

Operational

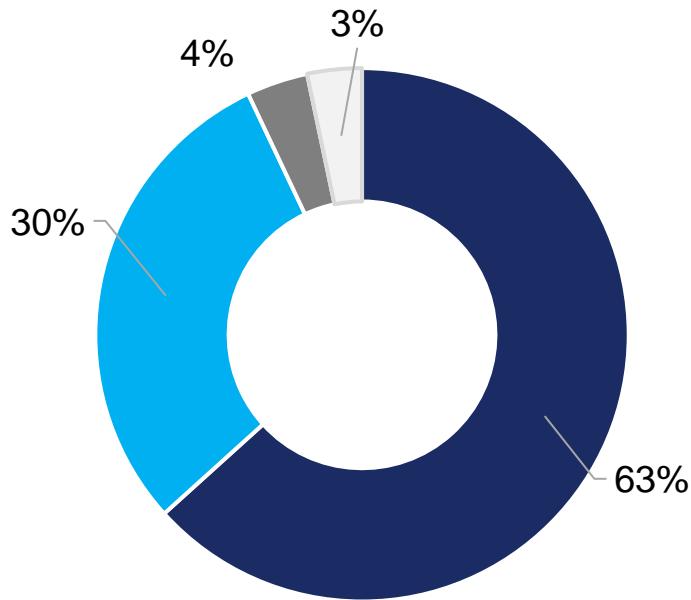
R170.0 million 29% of Total

B2023: R187m (▲-9%)

F2022: R153m (▲11%)

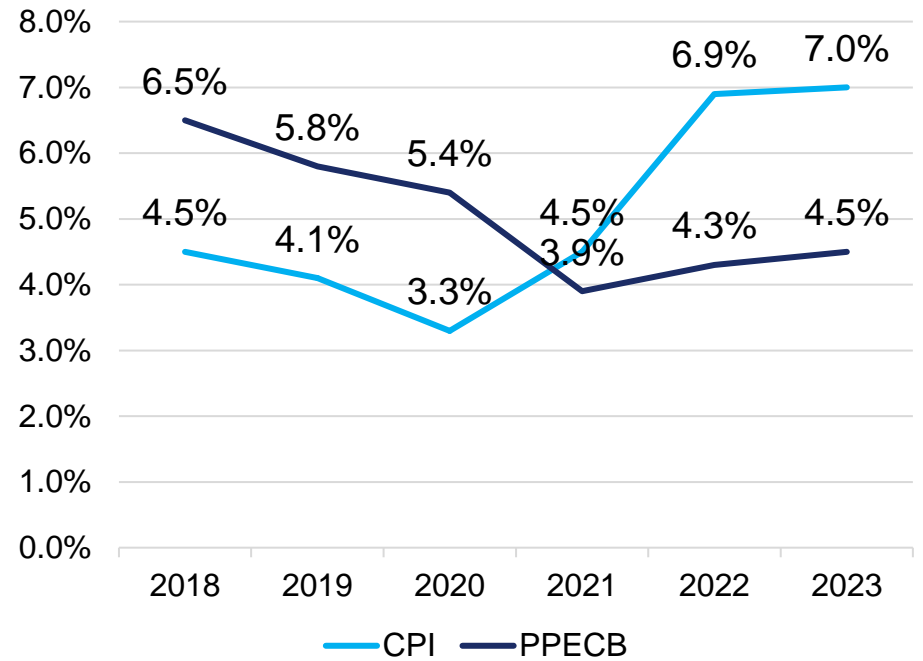
FINANCIAL PERFORMANCE RESULTS

Income Categories



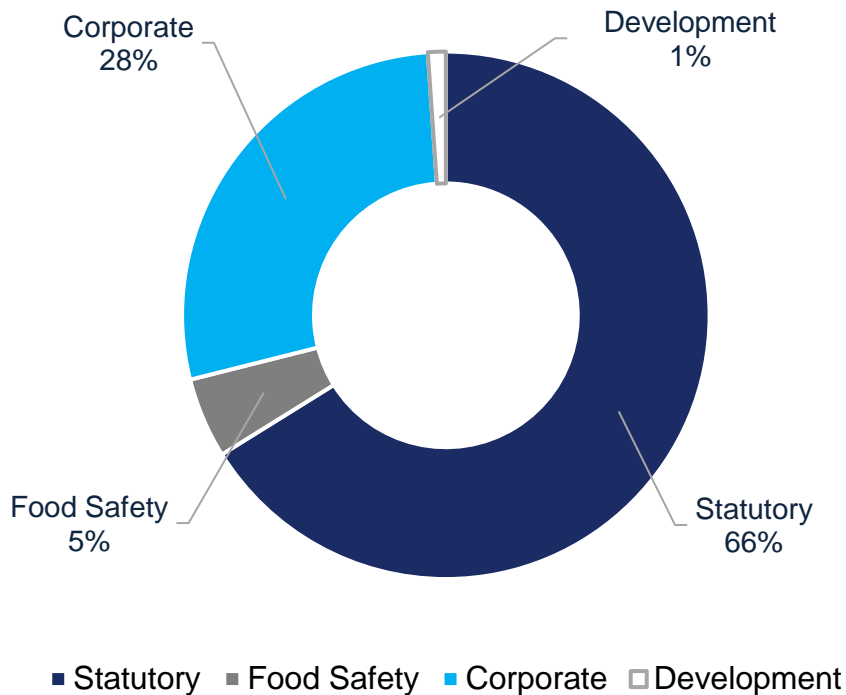
■ APS Services ■ PPEC Services ■ Food Safety ■ Other Income

Inflation vs Levies

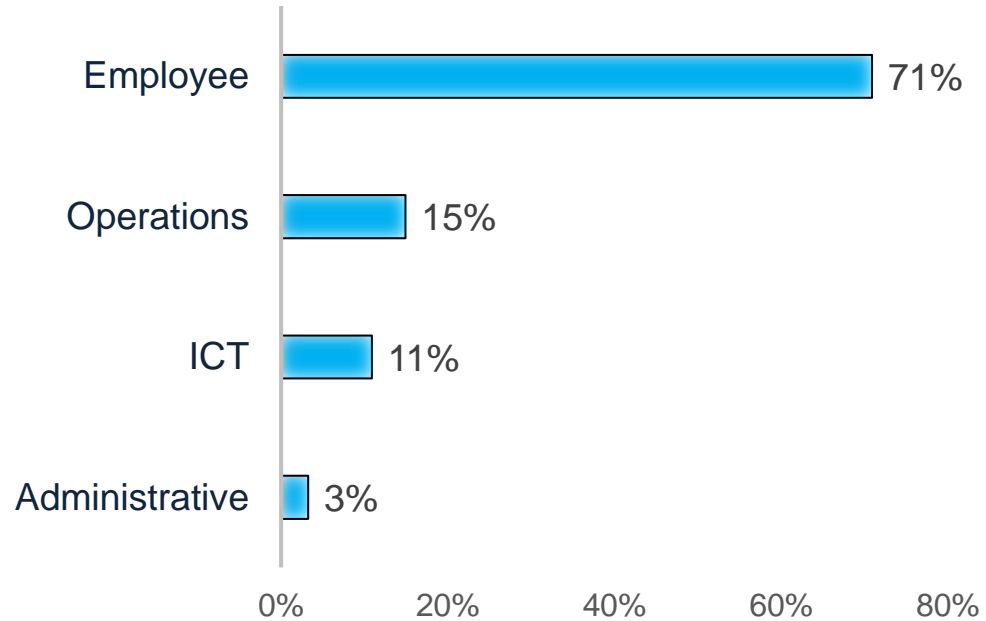


FINANCIAL PERFORMANCE RESULTS

Programme Categories

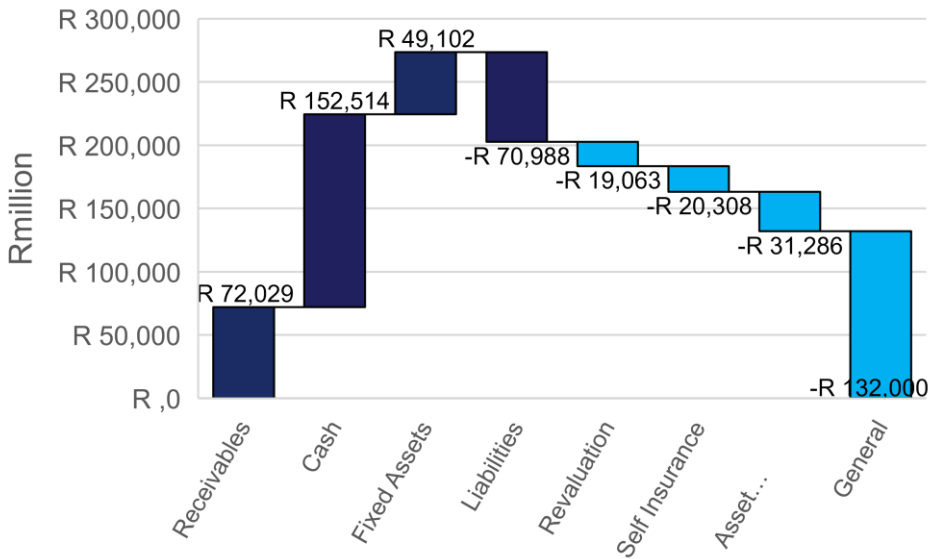


Expense Categories

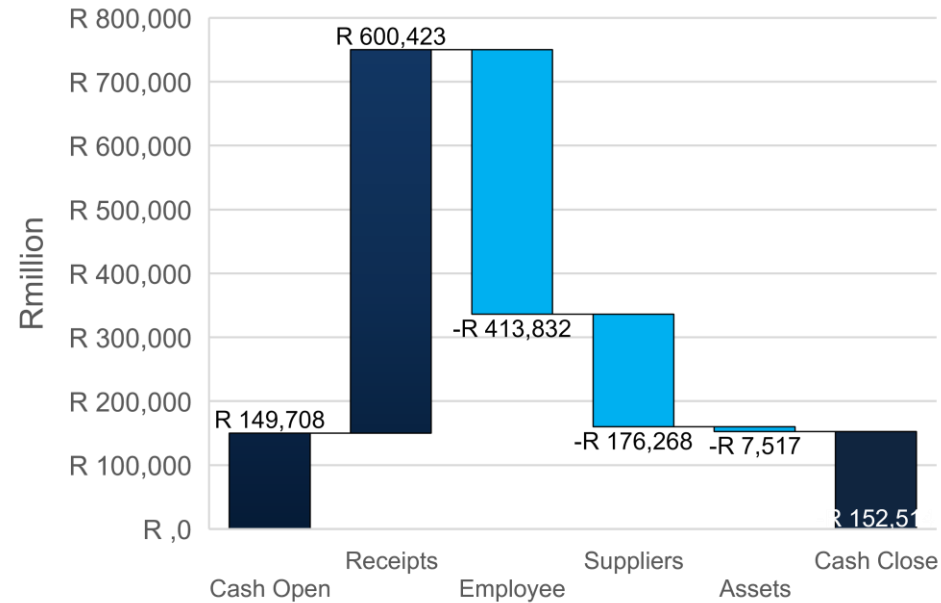


FINANCIAL POSITION & CASHFLOW

Position



Cash Flow



EXTERNAL AUDIT OUTCOME

	Comments	F2023
1	Audit of Financial Statements	Unqualified
2	Overall Assessment on Financial Viability	Unmodified. Remains Good
3	Fruitless & Wasteful Expenditure (Note 21 to Financial Statements)	R 796,405
4	Irregular Expenditure (Note 22 to Financial Statements)	R 1,290,771
5	Report on the Audit of the Annual Performance Report	No Material Findings
6	Report on the Audit on Compliance of Legislation	No Material Findings
7	Risk of Management Overriding Controls	Significant
8	Risk of Fraud: Occurrence of Revenue, Timesheets and Procurement Processes	Significant
	Findings	
9	Matters affecting the auditor's report	None
10	Administrative matters	5 Findings
11	Financial Matters	3 Findings

PERFORMANCE INDICATORS



95% B-BBEE
Spend



52 AETP
Students



721 Smallholder
Farmers Trained



89% Customer
Satisfaction



105 Smallholder
Farmers Certified
as Export Ready



3968
Beneficiaries
from CSI

SMALLHOLDER FARMER BREAKDOWN

Province	Number of smallholder farmers	Percentage
Eastern Cape	119	16.5%
Free State	0	0.0%
Gauteng	92	12.8%
KwaZulu Natal	75	10.4%
Limpopo	195	27.0%
Mpumalanga	111	15.4%
Northwest	99	13.7%
Northern Cape	30	4.2%
Western Cape	0	0.0%
Grand Total	721	

AETP BREAKDOWN

Province	Total	Percentage
Eastern Cape	12	23.1%
Gauteng	9	17.3%
Kwazulu Natal	2	3.8%
Limpopo	5	9.6%
Mpumalanga	11	21.2%
Western Cape	13	25.0%
TOTAL	52	

CHALLENGES & THE ROAD AHEAD



CHALLENGES

Logistical Challenges
Loadshedding
EU Regulations
Data Security
Floods



THE ROAD AHEAD

PPECB Strategy
TITAN 2.0[®]
Data Provision
Improved Efficiencies
Market Access
ERP

>> thank you

//22_23 >annual report

The Perishable Products Export Control Board

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