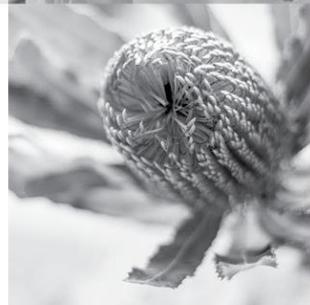


Annual Performance Plan 2022/2023



**Perishable Products
Export Control Board**

**January 2022
Final**



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PPECB OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- 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 2022 to 2023.



Mr. Clive Garrett

PPECB Chairperson of the Board



Mr. Lucien Jansen

Chief Executive Officer



Mr. Johan Schwiebus

Chief Financial Officer

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.

During 2016, the PPECB has also been mandated by the Department of Agricultural, Land Reform and Rural Development (DALRRD) to handle all operational activities relating to the Risk Management System (RMS) for citrus exports to the European Union. However, the orchard inspection mandate was not renewed for the 2021 citrus season due to the automation of DALRRD certification activities resulting in excess capacity. The PPECB agreed to support DALRRD with future orchard inspections should the need arise.

The PPEC Act is still under review and has not been finalised. To date, the PPEC Bill has been approved by the National Economic Development and Labour Council (NEDLAC). The PPECB has responded to recommended changes from the Office of the Chief State Law Advisor, discussions are ongoing in respect of differentiating between fees and levies and whether a provision relating to fees should be included in the PPECB Bill or whether the collection of levies should be included in a separate PPEC Levies Bill. A new Socio-Economic Impact Assessment form together with a process flow relating to the registration process and application for a trade facility has been submitted as requested by DALRRD, and feedback is awaited.

The PPECB has implemented the majority of recommendations made to ensure compliance with POPIA following a POPIA gap assessment conducted by an external party in January 2021. Progress with the POPIA implementation plan is reviewed by the RISCO and EXCO on a quarterly basis, additional actions are included where deemed necessary by the RISCO.

PART B: OUR STRATEGIC FOCUS

1. Updated Situational Analysis

Whilst the continuing COVID-19 pandemic is still creating some global uncertainty with regards to buying patterns and consumer trends, it is believed that the situation is somewhat “normalizing” and expected to improve even more during 2022. As many organisations across the globe, the PPECB has moved to a hybrid working model during 2021, which requires employees to work a minimum of two days per week in the office and the remaining days from home, where relevant. This arrangement will continue over the medium term.

South Africa was moved to alert level one from October 2021 and remained on this level throughout the fourth wave that commenced December 2021 which was in the peak of the deciduous fruit season in Gauteng, Northern Cape, and Western Cape. The PPECB was not heavily impacted by the fourth wave to date. The country moved out of the fourth wave of COVID-19 from January 2022. With just 40% of the South African adult population fully vaccinated up to January 2022, the spread of the Coronavirus locally remains a concern. With around 65% of people fully vaccinated in Europe, South Africa’s major trading partner for perishable produce, it is expected that good quality fresh produce will remain in high demand. This will once again create major opportunities for South Africa as a renowned exporter of perishable produce. Delivering to the right market at the right time, will be more critical than ever before.

Being an independent and impartial regulator for South African perishable exports for the more than 90 years, the PPECB is 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. Technological advancements will continue to disrupt the status quo, privileged information is readily available, and consumers are spoiled for choice, thus the PPECB has no choice but to adapt to these rapid changes or simply face becoming irrelevant.

Clients expect increased efficiencies, seamless systems integration, the faster flow of information supported by proper business and more so, market intelligence as well as impeccable client service. PPECB’s value proposition changed from merely playing the role of a regulator, to that of an enabler with a fine balance between being a regulator and an enabler. The organisation should therefore seek ways to augment its current service offering with value adding services directed at making South African perishable produce more competitive globally and in addition such services can create further income streams relieving some pressure on future levy increases.

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

- Improved client experience through seamless integration with PPECB systems (external)
- The provision of relevant and timeous export information and market trends to enhance the competitiveness of the industry (BI)
- Continuous improvement through a process of transformation, innovation, and automation
- Revised business models through the introduction of digitisation and change in methodologies to increase efficiencies and contain cost
- Improved business sustainability for black smallholder farmers through training and certification and suppliers.

1.1 External Environment Analysis

The global economy is expected to grow at 5.9% for 2021 (IMF, October 2021) and 4.9% for 2022. This is, however, dependant on the impact of COVID-19 over the short to medium term. Recent price pressures for the most part reflect unusual pandemic-related developments and transitory supply-demand mismatches. Inflation is expected to return to its pre-pandemic ranges in most countries in 2022 once these disturbances work their way through prices, though uncertainty remains high.

Risks around the global baseline are to the downside. Slower-than-anticipated vaccine rollout would allow the virus to mutate even further and new variants may have a significant impact. Financial conditions could tighten rapidly, for instance from a reassessment of the monetary policy outlook in advanced economies if inflation expectations increase more rapidly than anticipated. A double hit to emerging markets and developing economies from worsening pandemic dynamics and tighter external financial conditions, would severely set back their recovery and drag global growth below this outlook's baseline.

Europe, South Africa's major trading partner for fresh fruit, is expected to grow at 4.3% in 2022, and expected growth of 5% in 2021 recovering from a decline of nearly 6.3% in 2020 following the impact of COVID-19 on the region. It is further forecasted that emerging markets, including China, will grow at around 5.6% in 2022. Sub-Saharan Africa is set to grow at 3.8% in 2022. Advance economies are expected to show positive growth of 5.2% for 2021 and the prospects for 2022 are also positive at 4.5%.

Whilst the South African economy remains under severe pressure, prospects for 2022 remain positive and the economy is expected to grow at a healthy 2.2%. South African inflation currently at 4.41% for 2021 and 4.48% estimated for 2022.

The battling economy certainly had a negative effect on South Africa's unemployment figures for Quarter 3 of 2021 and reported a new record high of 34.9% which represents an increase in unemployment of 0.5%, up from 34.4% in Quarter 2 of 2021. The rate was the highest since the quarterly labour force survey began in 2008. According to an expanded definition of unemployment that includes those discouraged from seeking work, 46.6% of the labour force was without work in the second quarter, from 44.4% in the first quarter.

The number of unemployed people decreased by 183 000 to 7.6 million. Formal sector employment decreased by 571 000. Private household's employment decreased by 65 000 (5.4%), and in Agriculture employment decreased by 32 000 (3.8%) in Quarter 3 of 2021. Informal sector employment increased by 9 000 (0.4%).

During the 2021 State of the Nation Address, President Ramaphosa reiterated Government's commitment to economic growth that translates into job creation and structural transformation. The following areas were highlighted by the President:

- defeat the COVID-19 pandemic
- accelerate economic recovery
- implement economic reforms to create sustainable jobs and drive inclusive growth; and
- fight corruption and strengthen the State.

Despite the logistical challenges and the shortage of containers within South Africa, there was good recovery in perishable products exported in containers during September. The year-to date container volumes exported for this fiscal year was 1.5% above the budgeted volumes. The impact in the Eastern Cape was most felt with lower container volumes moving through the port. Durban and Cape Town had increased container volumes shipped in comparison to the previous year.

The results of good partnership and commitment had resulted in 15 vessels laden with citrus fruit to the USA from the port of Cape Town. The final USA vessel arrived in the USA in the third week of October. This year 63 046 pallets were shipped to USA on Specialised Reefer Vessels as compared to 48 936 pallets of the previous year which is a 29% increase in volumes. On the opposite side of the scale shipments to Japan and China shipped on this mode of transportation, was down by 11% and 28% respectively. The year-on-year increase in total volumes shipped on Specialised Reefer Vessels to all destinations is 16%.

The ongoing logistical challenges with the South African ports remain of huge concern. On the 22 July 2021 Transnet experienced a cyber breach, security intrusion and sabotage. The hack disrupted normal processes and damaged equipment and information, culminating in the declaration of force majeure at the ports' container terminals. The force majeure ended on 02 August 2021 and the ports systems were restored to normal.

During the past few months, the South African ports were still heavily congested and under equipped at times to deal with the volumes of containers entering the port. This resulted in massive congestion and delays within the port. The congestion in the ports had a negative impact on the entire logistical value chain that included producers, cold storages, container depots and transporters. The lack of empty refrigerated containers, congestion at cold storages, below par productivity at Transnet Terminals and inclement weather affecting port operations at times all contributed to the perfect storm. This was exacerbated by vessels by-passing South African Ports resulting in short shipment of containers and empty refrigerated containers not entering South Africa. The short shipment of containers added to the port congestion and containers had to spend additional dwell time at the port. It has been reported that some containers had missed several vessels before being shipped.

This will certainly negatively impact the shelf life of the products and could potentially result in food loss and waste. The congestion within the ports, cold storages and container depots were at a critical level, that requests were made to the citrus growers within Kwazulu Natal, Northern Province and Eastern Cape to cease with packing of citrus fruit to alleviate the congestion. Under these circumstances the PPECB does not have the mandate to stop inspections and continued with inspections when requested. Given the situation in the ports, the following actions to mitigate the logistical challenges have been introduced:

- Stakeholder engagement regarding resource allocation and planning
- Monitoring/Oversight of operational activities
- Weekly meetings between PPECB/DALRRD/Transnet/CGA/Depots/Coldstores/Shipping lines to discuss process and alternate shipping opportunities
- Cold Storage stock reports are generated to monitor the degree of congestion
- Continuous lobbying for more specialised reefer vessels to carry South African perishable cargo.

With the increased growth in the production of agricultural produce, the urgent improvement of the situation within the ports cannot be overemphasized. The current situation put significant pressure on the cost of exports and threatens South Africa's reputation as a reputable and reliable supplier of perishable produce world-wide. **It is therefore crucial that the situation with the ports be addressed as a matter of urgency to ensure the continued success of the sector.**

The agricultural sector in South Africa has great potential to support Government's objective to stimulate economic growth and fast-track the creation of additional jobs. Following the devastating drought for 3-4 years, it appears that the production and export of main fruit commodities have recovered and are on the increase. With South Africa exporting roughly 60% of all fruit produced, the sector's potential for job creation is not limited to primary production, but even further down the value chain. This can be in the form of packing and cooling, marketing, various modes of transport, clearing and forwarding service providers or related professional services, among other things.

In 2021, South African perishable produce exports increased by 9.71% to 3.48 million tonnes to around 92 countries. Year on year growth on this front has been steady, except for 2019 when export volumes were below anticipation due to effects the drought and unfavourable market conditions.

Below a graphical depiction of perishable produce pallets exported over a 5-year period (Jan-Dec)



During 2021, Citrus fruit exports soared to a record high of 172 million cartons (14% above expectation) exported until December 2021. This figure is expected to increase even further as new plantings come into production. By the end of December, the year-on-year comparison on Citrus volumes are as follows. Grapefruit exports increased by 17%, Soft citrus shipments firmed significantly by 24%, Lemon exports increased by 10%, Navels exported shifted marginally and Valencia's declining by 9%.

On the 18 September the South African citrus industry suspended the exportation of Valencia's and Lemons from South Africa's summer rainfall, citrus black spot (CBS) regions to the European Union (EU) due to the spike in CBS interceptions.

During 2021 deciduous fruit exports were up on expectation, with Pome and Stone fruit reported at 16% and 18% above expectation respectively. The 2021 Pome season is delivering better than expected volumes across all areas. Last season's winter showed favourable rain in majority of the production areas. Cooler weather during spring and the flowering period has resulted in a good crop. Apple and Pear export volume estimates for the 2021 season are 18% and 5% respectively up on the previous season. Up to 31 December 2021, 58 million cartons of Pome fruit were inspected which is considerably higher than previous years. The impact of COVID-19 on global logistics and specifically the availability of refrigerated containers during the season remains a huge concern.

Up to 31 December 2021, 17.96 million cartons of Grapes were inspected which is 19.3% below the budgeted volumes due to the grape season that started later in the Lower Orange River, Groblersdal and Western Cape.

Due to the critical crisis at the Durban port, industry requested that CRI, the PPECB and the DALRRD investigate the possibilities to utilise the Maputo port. The focus was to be able to utilise Maputo port for citrus exports to Europe using specialised refrigerated vessels. After consultation, the Standard Operating Procedure to ship South African Citrus from Maputo was approved by the DALRRD. Meetings were also held between the terminal operator, DP World, and the stakeholders to make sure everyone has a common understanding of the procedures.

The Unrests experienced in Gauteng and Kwazulu Natal resulted in courier services being halted. This resulted in samples not being able to get to the PPECB Laboratory. Further to this, many trucks carrying export produce got stuck, which had a devastating impact on exports. From an organisational point of view, as an essential service, continued inspections were under threat as PPECB employees battled to get to work.

The 2021 avocado season commenced with avocado industry estimating a bigger crop, but this was revised as the season proceeded. The season ended with volumes 26% down from the budgeted crop. The flooding of the Peru crop in the EU displaced South African fruit leading to some exporters holding back as this created unfavourable prices in the market. The quality of the fruit for the season was generally good except for pockets of rejections due to some quality defects. High volumes of avocado containers were loaded in Johannesburg before being sent to the ports. The outlook for the 2022 avocado season remains positive.

The 2021 maize season was in full swing with high volumes of bulk maize being exported via deep sea exports. Up to 31 December 2021 inspected grain volumes are 2.6 million tons versus a budget of 1.7 million tons. Approximated 1.4 million tons has been exported from the port of Durban. During the month of September there were five vessels that loaded 278,000 tons of maize collectively for export from Durban. This is out of the ordinary as the port does not usually work this many vessels in a month. Maize exports were expected to increase from 1.9 million tons in 2020 to around 2.4 million tons in 2021. Looking towards the new maize season, above average rainfall across parts of South Africa's summer rainfall region has resulted in some farmers having to delay the planting of crops such as maize, soya bean and sunflower. The region's soils remained soaked in rainwater. Currently, the biggest concern is that planting may not be completed early enough. Certain farmers in the region have completed planting, however fields are now drenched in water, and they cannot get machinery onto the lands to perform remedial measures and any follow-up spraying. Farmers in the eastern and western parts of the summer grain production region have reported damage to grain crops following several weeks of rainfall. The situation was exacerbated by the fact that the rain occurred on soils where the moisture levels already reached maximum capacity. The Free State, Mpumalanga and North-West regions had been amongst the worst affected. The lack of prolonged periods of sunshine makes evaporation virtually impossible, causing the plants to become waterlogged.

Volumes for vegetable inspections for 2021/2022 up to 31 December 2021 were 89.6 million kilograms versus a budget of 67.8 million kilograms. However, the inspections from Cape Town substantially decreased due to some restrictions placed by the Namibian authorities on imported vegetables as they are producers of some of these vegetables. The restricted outbound international flights from Cape Town had resulted in vegetable volumes that are produced in the Western Cape being transported to Gauteng for exports.

The South African Blueberry season is gaining momentum as growers across the country move to peak production. South Africa is projected to export 25 000 tonnes which is an increase of 63% on last year's export volumes. The country remains on track to achieve 5 000 hectares of planting during the next four years. If this materialises, South Africa will export around 55 000 tonnes in 2025 which is 220% more than this year's anticipated export volume.

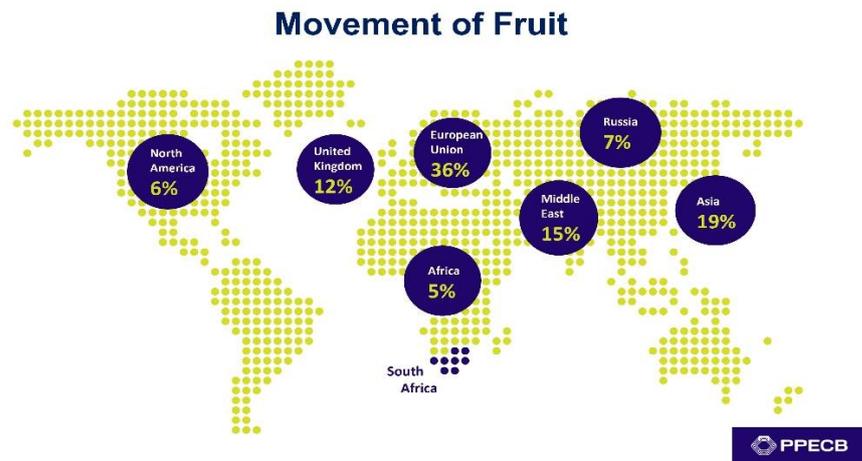
Notwithstanding the positive growth, the impact of the recent drought remains a huge concern, especially in the parts of the Eastern Cape and Northern parts of the country, which provides around 80% of the total citrus fruit exports. Should the situation not improve, it certainly will have an impact on the citrus volumes for the 2022 season, however good rains in December 2021/January might influence the situation positively but floods were also experienced in the Eastern Cape and Kwazulu-Natal. The situation in the Western Cape was significantly better in 2021. At the time of writing this report, dam levels were already at 77% on average at some dams which is higher than 2020, when dam levels were reported at just above 62%. The Western Cape experienced an above normal rainfall season, with deciduous fruit volumes expected to be higher for the 2021/2022 season.

From a market perspective, the European Union (EU), excluding the United Kingdom (UK) remains the biggest importer of South African fruit with 36% during 2021. The UK took a further 12% of South African fruit volumes. Based on reported figures, it appears that BREXIT had little effect on the volumes exported to this region to date.

With Citrus Black Spot (CBS) still an unresolved issue in the EU, the South African citrus industry remains on high alert. To date for 2021, South Africa recorded 43 CBS interceptions in the EU, from 6 in the previous year. False Codling Moth (FCM) became a regulated pest in the EU 2018 and 16 interceptions were recorded in EU in 2021 compared to the 14 in 2020. In addition to this, there were 2 Fruit Fly interceptions.

Asia remains a market with huge potential for South African fruit, with 19% of fruit exported to this region during 2021, up from 18% in 2020. The importance of increased market access to this region cannot be overemphasised.

Below a graphical depiction of the percentage of fruit exported to the major destinations (Jan-Dec 2021)



Other high value products are also increasing significantly from a South African export perspective. One such example is macadamia and pecan nut exports that have increased from 39 213 tonnes in 2019/2020 to 41 893 tonnes in 2020/2021. For the 2021/2022 cycle until 31 December 2021 43 780 tonnes of tree nuts were inspected which is 18% above the 37 090 tonnes budgeted. It is reported that these products are becoming extremely popular, of great value to South Africa due to their high returns.

International markets have become extremely competitive, especially with new market entrants. This has provided consumers with more options in terms of the availability of fresh produce. Many new entrants can land their products at a lower price, often at a similar quality. 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 is critical.

Volumes of major fruit products has seen an upswing over the past 3 years, mainly due to new plantings. Citrus fruit exports alone have grown by 19% in 2021 when compared to 2020. The growth in citrus exports is expected to continue and will put additional pressure on ailing export infrastructure, systems and processes. Furthermore, emerging products like blueberries and macadamia nut volumes are expected to increase drastically, as they become more popular in eastern markets.

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 the world order
- Protectionism

1.2 Internal Environment Analysis

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

It is clear that 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 the industry.

Both the organisation and individuals will need to put emphasis on continuous skills development. Individuals will need to develop 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 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. Employees also need the space to unlearn redundant competencies and re-learn what is relevant for the future.

The PPECB thus needs to evolve but this cannot be achieved by operating and behaving like an island. Collaboration internally and externally is key, and it is important that the evolution of the PPECB is a journey that includes all its ecosystem members – DALRRD; suppliers; clients; service providers; 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:

- Increase our infrastructure stability and connectivity
- Strengthen our BI capacity and knowledge to provide accurate and complete information on time
- Properly integrate innovation into the business
- Speed up procurement
- Properly understand stakeholder needs – internally as well as externally
- Deliver TITAN 2.0[®] and ERP on time
- Ensure seamless integration between PPECB and client systems where possible (ERP, TITAN 2.0[®])
- 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 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 launched pilot programmes in the 2021-2022 financial year for:

- Women in Leadership with 8 candidates
- People with Disabilities with 8 candidates.

The PPECB are also continuing with the flagship AETP programme with a planned intake of 45 candidates aimed at youth, in addition to a new graduate development programme in Support areas (HR, ICT, Legal and Laboratory Services). The PPECB aims to continue with these pilot programmes in 2022-2023 should it be sustainable.

In 2022 PPECB will also launch a development program for 30 of the current Unemployed graduates for a two-year period to improve the employability of these individuals within the PPECB should vacancies arise. Over the two-year period these individuals will be afforded the opportunity to gain credits needed as a prerequisite for permanent appointment.

Strategic Projects: TITAN 2.0[®] and ERP

TITAN 2.0[®]

From 1 April 2020 to 31 December 2021, 200 million cartons (84%) of the main products were inspected on TITAN 2.0[®] at 670 activity points. The uptake of TITAN 2.0[®] by clients is dependent on the readiness of the client's software vendor to integrate with the TITAN 2.0[®] platform and up to 31 December 2021 nine software vendors successfully integrated with this platform. Due vendors and packhouses not being ready for the version 2, PPECB continued to support version 1 and version 2 of TITAN 2.0[®]. The second iteration of TITAN 2.0[®] is integrated with the eCert Trade Unit Register and offers electronic addendums and certification which is a significant improvement on the previous version with special market validations also being catered for and as a result TITAN 2.0[®] version 1 were decommissioned on 14 December 2020.

TITAN 2.0[®] priorities for 2021 include paperless consignment note and export certificate, electronic inspection finding sheet, bulk pass, sign-off (multi-select) functionality and Tracking Unit Register (TUR) as single point of entry and cold chain modules. Excellent progress has been made with

reviewed and rebased lined priorities for Product Inspection and development for most of these priorities were completed with a significant number of them already successfully deployed.

The current risk allowing clients to make changes to consignment notes on own packhouse vendor systems, after being processed on TITAN 2.0® platform, prior to presenting consignment notes to inspector for sign-off of the hard copies, will be mitigated by the planned deployment of the PPECB electronic PDF consignment note in February/March 2022. The changes can result in differences between packhouse system and PPECB and can lead to unnecessary queries and credit notes and may impact completeness of income.

Bin Pack Code validation, nett weight validation and validation of class were also successfully deployed and will further strengthen operational internal controls and improve the accuracy of PPECB information. With class validation, only valid classes for the specific product will be allowed. The weight validation will make inclusion of weight mandatory and improve the accuracy of the weight required and improve the accuracy of information supplied to Deciduous and Citrus Industry Bodies in terms of seasonal Service Level Agreements.

Cloning of Service Request development was completed and successfully deployed following system integration and user application testing. The cloning functionality will enable clients with an approved or expired Service Request to clone information and will save the clients valuable time when completing the Service Request for the new season.

The following results were achieved per product on TITAN 2.0® from 01 April 2021 to 31 December 2021:

Product	Batch	Titan	% Titan
Avocados	1,488,433	9,404,469	86%
Citrus Fruit	20,413,264	142,679,017	87%
Grapes	446,719	17,374,2722	98%
Pome Fruit	9,961,621	28,120,287	74%
Stone Fruit	5,078,592	2,920,478	37%
Grand Total	37,388,629	200,498,523	84%

More clients are getting on board with electronic addendum and export certification with subsequent requests for enhancements which include the determination of 5 days after sail of vessel excluding weekends and public holidays which was successfully deployed. The requirements for updated electronic export certification process will be mapped out and reviewed to ensure all requirements are accurately captured and eCert and TUR dependencies are clarified. Client change requests due to urgency require prioritisation above already approved priorities. From April 2021 to December 2021, 2 475 export certificates were processed on the TITAN 2.0® platform.

TITAN 2.0® Electronic Export Certificates

Region	Electronic Certificates
Durban	203
Port Elizabeth	0
Cape Town	2272
Total	2475

In March 2021 a search function for temperature regimes (Schedule 1) was launched on the TITAN 2.0[®] platform. Schedule 1 will allow cold chain assessors to look up and cross-reference specifications, ventilation settings, temperature tolerances, target countries and temperature regime codes for all products resulting in less documentation and a more efficient process.

Cold Chain Electronic Export Notifications (Bookings) went live in June 2021. Benefits:

- Clients can electronically capture and submit bookings for container and vessel loadings and view status of container loading real time.
- Lead Assessors are able to assign Assessors to loading points electronically.
- Assessors will be able to access the Working Program on their tablet and view the information for the Activity Points they are assigned to.

Enterprise Resource Planning (ERP)

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

The first phase of the ERP implementation, analysis and blueprint, has been completed and the next phase, design and build has started and will continue into the first quarter of 2022. The implementation should be completed by the end of the 2022 financial year.

The ERP will allow 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 whilst doing business with the PPECB.

1.3. Impact of COVID-19 on PPECB

The PPECB services were categorised as essential during the national state of disaster, as a result of the COVID-19 pandemic. The Entity took a people-first approach, introduced remote-working, working from home and flexible work arrangements as far as possible, in an attempt to reduce the spread of COVID-19 in the workplace. Employees continue to operate remotely as far as practically possible with a minimum requirement of two days in the office. Office time is also scheduled so that sufficient social distancing remains in place between employees who are in the office and where this is not possible screens have been purchased to place between workspaces and at reception desks. Permits are issued to those employees required to be on site at a customer during curfew times. All employees are still required to follow strict COVID-19 guidelines, which includes the wearing of PPE, social distancing and regular hand sanitising. The necessary PPE and hand sanitisers are procured and distributed to employees on a regular basis, the organisation also pays for any COVID-19 tests required by its temporary employees who do not have a medical aid. Health screening and temperature checks of customers and employees were also introduced at all PPECB offices.

A third wave was experienced from May 2021 to September 2021 with up level four restrictions being implemented. South Africa was moved to alert level one from October 2021; however a fourth wave was experienced during December 2021 which was in the peak of the Deciduous season in Gauteng, Northern Cape and Western Cape. The PPECB could however continue to deliver services to all clients during this time.

For that reason, as of 31 December 2021, the entity has incurred **R1.8 million** since the beginning of the financial cycle, expenditure is indicated in the table below:

COVID-19 Expenditure	Year to Date (R's Thousand)
Medical & Essential Personal Protective Equipment	578
Courier Charges	35
Employee Wellness	371
Corporate Social Initiatives	55
Office Deep Cleaning	852
Total	1,891

Considering the current global pandemic, the PPECB remains cautiously optimistic and will continue to scan the environment. Where necessary, re-prioritisation of projects will be done to ensure that the organisation remains financially sustainable. The PPECB will further persist with its people first approach and continue to safeguard our people against the pandemic.

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 compliment 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 activities.

PPECB will continue to develop its mobile platform to conduct electronic export certification and introduce an integrated ERP system. The use of technology will create cost efficiencies in replacing the paper-based inspection/verification approach.

Performance will be monitored and managed through a system of relevant targets and metrics, leading indicators, data-enriched information and dialogue with stakeholders.

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 DALRRD.

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 a learnership at National Qualification Framework (NQF) level 5, exposing learners 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 DALRRD and the Agri-SETA.

In collaboration with Agri-SETA, the PPECB provides job exposure in fields like ICT, Finance, Human Resources and Marketing to unemployed graduates. PPECB is also providing opportunities for students studying agriculture related qualifications to complete their qualifications by offering workplace exposure which contributes to the final requirement for the students graduating.

Youth, women and people with disabilities are given opportunities through internships and learnerships in the organisation programmes.

Internal Capacity Building

With regards to internal stakeholders the focus is on women and youth empowerment. Leadership Development initiatives are being put in place to ensure that women are accelerated so that they can assume leadership roles as these are currently predominantly occupied by their male counterparts. The PPECB has also developed a Talent Framework to ensure that we focus on the development of women. The PPECB is striving to be a learning institution and is leveraging technology to ensure that training provided meets the needs of the modern generation. The Learning Management System hosts on-line on-boarding and other learning material which is used for supervisory and management development as part of a blended learning approach which reduces face to face classroom time and improves the time in field for operational employees.

Internal development focusses on women and trying to develop youth with potential as well as launching a learnership programme on youth with disabilities in 2021/2022.

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 learning and development 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.

Both organisation and individuals will need to put emphasis on continuous skills development. Individuals will need to develop different set of competencies which will enable them to cope with digitalization. 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 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 Learning and Development department's services also aim to expose smallholder farmers to food safety, good agricultural practices, responsible use of pesticides, cold chain management and product quality training in preparation for food safety certification and market access.

Development initiatives are run on a collaborative basis with the DALRRD, 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.

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	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Contribute to the socio-economic transformation of the agricultural sector	Transformed Business to allow black business to participate in SA economy	% of money spent on B-BBEE suppliers	78%	80%	85%	87%	80%	80%	80%
Support the export competitiveness of South African perishable products industries	Informed and Satisfied Stakeholder Base	% of inspection/export information provided at a 95% accuracy level in week 1 of reporting	95%	95%	96%	96%	95%	96%	98%
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Informed and Satisfied Stakeholder Base	Organisational customer satisfaction index measured annually as a %	80%	82%	84%	80%	80%	80%	80%
	Digitised Business Processes	Number of manual processes converted to electronic or digitised	n/a	n/a	5	8	10	15	15

Programme 2: Operational Services			Audited performance			Estimated performance	MTEF Targets		
Outcome	Output	Output Indicators	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Enhance the credibility of the South African Export certificate	Compliance	% of samples inspected on a 2% basis	98%	99%	99%	99%	99%	99%	99%
Support the export competitiveness of South African perishable products industries	Efficient service delivery through client subscriptions on e-platforms	% of cartons on main products (citrus, grapes, pome, stone and avo's collectively) captured on TITAN 2.0®	63%	6%	66%	84%	85%	88%	90%
		Number of activity points interfacing with the PPECB mobile technology platform	400	910	920	880	880	880	880

Programme 3: Food Safety Services			Audited Performance			Estimated performance	MTEF Targets		
Outcome	Output	Output Indicators	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Enhance the credibility of the South African Export certificate	Confidence in SA Food Safety Assurance systems	Number of tests performed on samples received using accredited methods *	26023	24000	18562	18000	18000	20000	21000
		Number of food safety audits conducted	1100	850	1286	950	1000	1050	1100

Programme 4: Transformation and Development Services			Audited performance			Estimated Performance	MTEF Targets		
Outcome	Output	Output Indicators	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Contribute to the socio-economic transformation of the agricultural sector	Capacity Building	Number of students graduated through the Agri Export Technologist Learnership Programme (AETP) programme annually	39	45	42	45	45	50	50
		Number of smallholder farmers trained	170	238	53	50	50	100	150
		Number of new skills identified and trained	n/a	n/a	5	8	10	10	15
	Competent staff	% of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent	93%	95%	92%	92%	92%	93%	95%
	Market Access	Number of smallholder farmers certified for export	57	25	132	80	20	30	35

1.4 Output Indicators: Annual and Quarterly Targets 2022/2023

Programme 1: Corporate Services	2022/2023	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
% of money spent on B-BBEE suppliers*	80%	75%	76%	78%	80%
% of inspection/export information provided at a 95% accuracy level in week 1 of reporting*	95%	92%	93%	94%	95%
Organisational customer satisfaction index measured annually as a %**	80%	-	-	80%	-
Number of manual processes converted to electronic or digitised*	10	5	6	8	10

Programme 2: Operational Services	2022/2023	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
% of samples inspected on a 2% basis*	99%	97%	97%	98%	99%
% of cartons on main products (citrus, grapes, pome, stone and avo's collectively) captured on TITAN 2.0® system*	85%	84%	84%	85%	85%
Number of activity points interfacing with the PPECB mobile technology platform *	880	870	875	878	880

Programme 3: Food Safety Services	2022/2023	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of tests performed on samples received using accredited methods *	18000	4500	9000	13500	18000
Number of food safety audits conducted *	1000	250	500	700	1000

Programme 4: Transformation and Development Services	2022/2023	Quarterly Targets			
Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of students graduated through the Agri Export Technologist Learnership Programme (AETP) programme annually **	45	-	-	-	45
Number of smallholder farmers trained *	50	5	10	20	50
Number of new skills identified and trained*	10	4	6	7	10
% of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent *	92%	80%	85%	88%	92%
Number of smallholder farmers certified for export *	20	5	10	15	20

* 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:

- Improved client experience through seamless integration with PPECB systems (external)
- The provision of relevant and timeous export information and market trends to enhance the competitiveness of the industry (Business Intelligence)
- Continuous improvement through a process of transformation, innovation and automation
- Revised business models through the introduction of digitisation and change in methodologies to increase efficiencies 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 programmes 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 programmes's performance is 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.

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 learning and development 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.

Development initiatives are run on a collaborative basis with the DALRRD, and Provincial Departments of Agriculture and services all provinces in South Africa. Collaboration not only extends to sister SOEs but also to commercial development partners.

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 DALRRD and promote the export of safe food.
- Introduce Verified Gross Mass (VGM) as an additional service offering.

The effectiveness of PPECB's services will be evaluated by PPECB's stakeholders. PPECB will continuously seek and introduce innovative initiatives to improve efficiencies. Any shortcomings or areas for improvement identified are to be addressed and included in ISO 9001:2015 practices.

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	Average Growth Rate %	As % of Total %	Medium-term estimate					Average Growth Rate %	As % of Total %
	2018/19	2019/20	2020/21				2021/22	2019 to 2022	2021/22	2022/23	2023/24		
PROGRAMME													
Corporate Services	86,508	105,799	111,544	150,237	21%	28%	173,190	180,118	187,322	194,815	202,607	4%	29%
Statutory Services	267,080	284,113	311,688	337,449	8%	63%	371,139	385,985	401,424	417,481	434,180	4%	63%
Food Safety Services	22,702	22,577	25,374	25,168	4%	5%	26,890	27,966	29,084	30,247	31,457	4%	5%
Transformation & Development Services	20,899	23,686	15,627	19,453	1%	4%	17,057	17,739	18,449	19,187	19,954	4%	3%
TOTAL EXPENSES	397,189	436,175	464,233	532,307	10%	100%	588,276	611,808	636,279	661,730	688,199	4%	100%

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)
Efficient service delivery	Adverse Impact of the Coronavirus (COVID-19) on resources, people and processes.	<ul style="list-style-type: none"> - Business Check-in meetings as and when required - Permit and letter issued to PPECB as essential service. - PPECB essential suppliers provided with letter stating services essential to PPECB. - Supply of gloves, masks and hand sanitisers to all offices and employees. - Communiques. COVID-19 self-assessment process, symptoms, general information, guidance on leave and flexible working hours, guidance on how to wash hands. Presentations and videos on COVID-19. Questionnaire for visitors to PPECB offices. - Guidance to be given to Management how to deal with confirmed positive cases reported by clients and employees. - Staff issued with PPE and Hazmat suits for carrying out cold chain activities. - Plan for inspecting break-bulk vessels. - COVID-19 Procedure for employee / client screening. - Additional legislative requirements with regards to emergency procurement. - Employees provided with tools to ensure remote working-access to PPECB network via APN/VPN. - Apply for two more Technical Signatories for the Mycotoxin program, due to rotational basis of working the number of current signatories are resulting in delay in lead times for the sign off of reports issued to customers. - PPECB stance on vaccination and related workplace protocols to be assessed should employees decline vaccination. - Continuous awareness on all COVID-19 information as it becomes available.
Efficient service delivery	Information Security	<ul style="list-style-type: none"> - Monthly patch management for Windows, servers and desktops being conducted and remedial action applied. - Monitoring of anti-virus and firewall, ensuring reports are being checked and implemented. - Cybersecurity continuous awareness and annual refresher training for staff to create a data privacy culture within the organisation - Classification of electronic data (master data) - Obtain Insurance for cyber events in a cyber secure environment - POPIA Implementation Plan, including physical security mitigations and improvements at various sites. - Microsoft Defender implementation and establishment of threat intelligence framework - Response when stakeholders are impacted by Information Security Threats

Outcomes	Key Risks	Risk Mitigations (Current controls and Actions)
		<ul style="list-style-type: none"> - Distinction between PPECB devices & use of own devices for applications and costs to implement security devices on own personal device.
Process Transformation	Failure of the PPECB process, systems and products to keep up with trends and advancements	<ul style="list-style-type: none"> - Capacitation of Research and Development - Laboratory – strategy needs to be developed to ensure its sustainability over the long term - Retention of critical skills (succession planning) - Assessing impact on the workforce and potential reskill response in relation to the implementation of TITAN 2.0® cold chain module and ERP
Capacity building	Failure to adapt the current workforce to remain relevant and responsive to the "new world of work"	<ul style="list-style-type: none"> - Complete Job Profiling Project. Future competencies is included in PDPs - Conduct Talent Forums to determine skills availability - Change management and culture initiatives to facilitate adoption of the new business strategy
Capacity Building	Mismatch between current culture and enabling culture to drive people, process, system and product change and implement strategy	<ul style="list-style-type: none"> - Review PPECB values are still relevant to the new business strategy. - Define the PPECB purpose - Reinforce high-performance culture
Efficient service delivery	Volatility of critical infrastructure and technology services	<ul style="list-style-type: none"> - Implementation of alternative back-up systems at regional offices pursuant to due diligence findings and EXCO recommendation/approval - UPS back-up for purposes of running ICT infrastructure
Efficient service delivery	Unsuccessful implementation on TITAN 2.0 to deliver business value, system integration and business intelligence	<ul style="list-style-type: none"> - Provision of Finance / Operation billing requirements for any enhancements and new requests - Business Requirements needs to be developed end-to end for full integration - Realignment of deliverables due for the remainder of the year and include external stakeholder input - Implementation of cold chain initiatives
Process transformation and efficient service delivery	Unsuccessful implementation of ERP and Human Capital Management Suite to deliver business value, system integration and business intelligence	<ul style="list-style-type: none"> - Develop ERP implementation project plan with milestones - Implementing solution standard processes (Vanilla) TO-BE processes from Microsoft to start preparing business for ERP implementation. - Implement Change Management Strategy that has been formulated - Integration of TITAN 2.0® ERP and Master Data alignment with NAV - Business Analyst currently analysing data in NAV 5 and 13 to create data architecture, create data governance rules, verification requirements in ERP etc - Tender to procure Human Capital Suite. - Business Analyst to analyse employee and other human capital data in preparation for implementation of the Human Capital Management Suite - Monitor and track benefits realisation as documented in the Benefits Realisation Management (BRM) plan. - Tender process for appointment of an Implementation Partner for HCM. - Master Data Clean-up and assurance project to ensure alignment between ERP, TITAN 2.0®, HCM, and NAV for key

Outcomes	Key Risks	Risk Mitigations (Current controls and Actions)
		operational components. Further work on Navision in progress.
Business transformation	Lack of meaningful contribution to industry transformation	<ul style="list-style-type: none"> – Formulate action plan for Agri BEE guidelines create awareness to the industry – Implementation of the Agri BEE guidelines
Compliance	Non-compliance with the APS mandate, PPEC Act and other key legislation	<ul style="list-style-type: none"> – Cabinet approval of PPEC Bill and the PPECB Levies Bill (New submission done to NT on fees) – Automation of controls in ERP system comply with certain legislation, governance measures/regulatory standards – POPIA Implementation Plan
Efficient service delivery	Inflexibility of current operating model and associated legislation may adversely impact costs (under) recovery	<ul style="list-style-type: none"> – Review the business operating model. (Dependent on costing/funding model) – Formalisation of Laboratory expansion strategy – Introduce a reliable and accessible data source for reporting activity information to use for/as financial controls – Review of costing/funding model pending implementation of a reliable data source

3. Public Entities (not applicable)

Not applicable

4. Infrastructure Projects (not applicable)

Not applicable.

5. Public-Private Partnerships (not applicable)

Not applicable.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 1: CORPORATE SERVICES	
Indicator Title	Percentage of money spent on B-BBEE suppliers
Definition	Procurement expenditure for goods and services from suppliers that are B-BBEE compliant
Source of data	The data is collected from a financial system (Navision 13) regarding suppliers having a B-BBEE certificate as evidence of their compliance
Method of Calculation	Spend on B-BBEE suppliers is divided by the total spend and that gives the percentage of B-BBEE spend.
Means of verification	B-BBEE certificates of suppliers
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	The desired performance would be that which exceeds the target as an indication that PPECB business benefits mostly the B-BBEE suppliers, especially Qualifying Small Enterprises (QSEs) and Exempted Micro Enterprises (EMEs) that play a vital role to fight the scourge of unemployment.
Indicator Responsibility	Procurement Manager

Indicator Title	Percentage of inspection/export information provided at a 95% accuracy level in week 1 of reporting
Definition	This is the percentage of information that is captured of total volume inspected/exported the previous week
Source of data	Record/log is kept of the volumes reported in the SLA reports that are sent to the industry
Method of calculation	When the weekly reports are sent to industry the volume per product group is captured and stored. That specific week's volume is then monitored for three consecutive weeks to gauge the total amount captured after three weeks versus what was captured in the first week.
Means of verification	System generated report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	The aim is to have at least an average of the total information captured in the first week with a 95% accuracy
Indicator responsibility	Coordinator Inspection Administrator

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

Indicator Title	Number of manual processes converted to electronic or digitised.
Definition	This has to do with the PPECB processes that are mostly manual and with the introduction TITAN 2.0® and ERP will be transformed to electronic or digitised.
Source of Data	Calculate based on the number of processes transformed to electronic
Method of calculation	Total number of processes converted
Means of verification	Report on actual processes automated
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Data limitations	No specific limitations
Type of Indicator	Manual vs Manual converted to electronic
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	The current attrition rate illustrates that we are experiencing difficulties to change. However, with the introduction of TITAN 2.0® ERP and other technologies the way the PPECB operate will change considerably and ultimately some processes will become redundant as we leverage on technology and digitalise. The PPECB will have to be able to transform from manual processes to electronic processes or automation of manual processes.
Indicator responsibility	CIO/COO/General Managers: Operations

PROGRAMME 2: OPERATIONAL SERVICES	
Indicator Title	Percentage of samples inspected on a 2% basis
Definition	100% of consignments must be inspected on a 2% sample which is very labour intensive
Source of data	The data is to be collected from consignment notes inspected at a full 2%
Method of calculation	Data collected manually and reported monthly to coordinator who reports monthly and quarterly. The number of samples inspected on a 2% are expressed as a percentage of total samples inspected.
Means of verification	System generated 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 target is desirable as it means more inspection at 2% sampling.
Indicator responsibility	General Managers: Operations

Indicator Title	Percentage of cartons on main products (citrus, grapes, pome, stone and avo's collectively) captured on TITAN 2.0® system
Definition	Percentage of cartons of main products captured using TITAN 2.0®
Source of data	Monthly report from PPECB mobile technology system
Method of calculation	Number of cartons captured using TITAN 2.0® divided by the total number of cartons captured for a financial year. This is only for the main product groups (citrus, grapes, pome, stone and avo's).
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 cartons captured on TITAN 2.0® for the fiscal year
Indicator responsibility	General Managers: Operations

Indicator Title	Number of activity points interfacing with the PPECB mobile technology platform
Definition	Number of inspection activity points that are able to exchange data with the PPECB tablet technology system
Source of data	Monthly report from PPECB mobile technology system
Method of calculation	All activity points that were able to exchange data with the PPECB tablet technology system for a financial year.
Means of verification	TITAN 2.0® (mobile application)
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Desired performance is to achieve the targeted number of activity points for the fiscal year.
Indicator responsibility	Application Development Manager

PROGRAMME 3: FOOD SAFETY SERVICES	
Indicator Title	Number of tests performed on samples received using accredited methods *
Definition	Samples analysed for testing as per the DALRRD mandate for pesticides, mycotoxins and compositional dairy testing for export and the local market.
Source of data	Through the laboratory information management system (LIMS), sample information from tracking numbers to tests conducted are captured and recorded on a daily basis.
Method of calculation	Volumes of samples analysed for different tests are counted by the LIMS automatically as received at sample reception.
Means of verification	Laboratory information management system (LIMS)
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	A higher than target performance is preferred, as increased samples analysed for testing 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	The number of smallholder farmers trained
Definition	The number of smallholder farmers trained by PPECB.
Source of data	Attendance registers completed by farmers during training sessions
Method of calculation	Adding together all the farmers who attended training sessions during a quarter across all registers
Means of verification	Attendance Registers
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that more smallholder farmers have an awareness of post-harvest activities
Indicator responsibility	Organisational Development & Transformation Manager

Indicator Title	Number of new skills identified and trained
Definition	Reporting on the number of new skills identified in PPECB to adapt to digital transformation
Source of data	The data is collected from the Operations/Human Capital.
Method of calculation	A count of the number of new skills identified and trained for
Means of verification	System Generated Report
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	The target should increase continuously as new technologies are introduced, new skills requirements emerged and should be trained for.
Indicator responsibility	Human Capital Executive/Business Optimisation

Indicator Title	Percentage of permanent Technical Professionals (Inspectors and Assessors) evaluated as technically competent.
Definition	Reporting on the percentage of permanent Inspectors and Assessors evaluated as competent by an independent Learning and Development Product and Cold Chain Specialist within a 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	Learning and Development Manager

Indicator Title	Number of smallholder farmers certified for export
Definition	Reporting on the number of smallholder farmers who attained SAGAP (R707) certification in a quarter
Source of data	The data is gathered from the Food Safety programme which issues the certificates
Method of calculation	A count of the number of certificates issued in a quarter to smallholder farmers
Means of verification	SA Gap Certificates
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Performance which is higher than the target is desirable as this means that more smallholder farmers have gained market access
Indicator responsibility	Organisational Development & Transformation Manager

ANNEXURE A : GLOSSARY OF ACRONYMS & ABBREVIATIONS

AETP	Agri Export Technologist Learnership Programme
APAP	Agricultural Policy Action Plan
APHIS	Animal and Plant Health Inspection Services of USDA
APS	Agricultural Product Standards Act
B-BBEE	Broad Based Black Economic Empowerment
BI	Business Intelligence
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
DAFF	Department of Agriculture, Forestry and Fisheries
DALRRD	Department of Agriculture, Land Reform and Rural Development
eCert	Electronic Certification
EC	European Commission
EME	Exempted Micro Enterprises
ERP	Enterprise Resource Planning
EU	European Union
FBO	Food Business Operator
FCM	False Codling Moth
GAP	Good Agricultural Practices
Global GAP	Global Good Agricultural Practices
HACCP	Hazard Analysis and Critical Control Point
ICT	Information and Communication Technology
IMF	International Monetary Fund
ISO	International Standard Organisation
KPA	Key Performance Areas
KPI	Key Performance Indicator
LIMS	Laboratory Information Management System
MAFF	Japanese Ministry of Agriculture, Forestry and Fisheries
MRL	Maximum residue level
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NGO	Non-Governmental Organisation
NGP	National Growth Path
NQF	National Qualification Framework
PAIA	Promotion of Access to Information Act

PDI	Previously Disadvantaged Individuals
PFMA	Public Finance Management Act
POPI	Protection of Personal Information Act
PPE	Personal Protective Equipment
PPECB	Perishable Products Export Control Board
PWD	Persons with Disabilities
QSE	Qualifying Small Enterprises
RMS	Risk Management System
S&T	Subsistence & Travel allowance
SAGAP	South Africa Good Agricultural Practices
SETA	Sector Education and Training Authorities
SLA	Service Level Agreement
SOE	Stated Owned Entities
SONA	State of the Nation Address
SOP	Standard Operation Procedure
TITAN 2.0®	PPECB Mobile Application
TUR	Tracking Unit Register
UK	United Kingdom
USA	United States of America
USDA	US Department of Agriculture
VGM	Verified Gross Mass