



PPECB
(Perishable Products
Export Control Board)

STRATEGIC PLAN
FOR THE FISCAL
YEARS
2020 to 2025

January 2020 Rev 1
Final

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STATEMENT: CHAIRPERSON OF THE ACCOUNTING AUTHORITY

The continued drive by advanced economies towards greater protectionism continues to put pressure on global economic growth. Although some developing economies are weathering this global pressure better than others, Sub-Saharan Africa will remain below the global average. The South African economy is expected to grow at less than 1% during 2020, against an average inflation of 5%. The sluggish economic growth is further exacerbated by the continued ongoing trade war between the United States of America and China. Should this phenomenon continue the South African perishable produce industry is in for a turbulent future over the medium term.

Oversupply in traditional markets has left South African producers with below par financial returns for their exports, which underscores the important role of increasing market access to “new markets”. In pursuance of this the Board approved the involvement of the PPECB to assist Department of Agriculture, Land Reform and Rural Development (DALRRD) and the Fruit Industry in aggressively pursuing the opening of new and frontier markets by leveraging the integrity of our quality inspection methodology and record delivering excellent quality to the global fruit market.

President Cyril Ramaphosa’s has reminded us in numerous speeches of the importance of agriculture to stimulate the economy and its potential to create jobs. Central to the perishable produce export industry, the PPECB is well aware of its role to support government and industry in achieving its objectives.

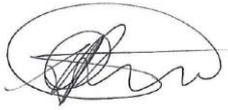
Ongoing geopolitical instability, a climate of uncertainty and a time of incredulous digital advancement creates a demanding operating environment for any organisation. These factors coupled with the unabatingly adverse weather conditions of recent years and rising protectionism in some key export markets necessitated that the PPECB reassess its priorities and focus areas to ensure its relevance and sustainability for future years. The Board therefore approved a strategic plan that ensures that the organisation are agile and nimble to navigate through this continued global volatility and embrace a future that is becoming more and more digital. The approved business strategy is therefore very much focussed on digitalization, customer centricity, becoming more of an enabler and creating efficiencies through the implementation of the new ERP system and TITAN 2.0®.

During 2020 the PPECB will remain focussed on delivering an effective and efficient service, in an effort to support the competitiveness of the South African perishable export industry. The organisation will continue to foster a culture of innovation and client centricity, while investing in enhancing its digital capabilities. Further to this, the PPECB will enhance its business intelligence capability through the introduction of a much-needed Enterprise Resource Planning (ERP) system, thereby ensuring real-time information provision.

The PPECB will also continue with its efforts to contribute to the transformation of the industry, through its Agricultural Export Technologist Programme (AETP) and capacity building initiatives directed at small holder farmers. In addition to this, the PPECB will extend its transformation initiatives to attract and capacitate more people with disabilities.

In order to ensure delivery on the Board’s objectives, this strategic plan is broken down into measurable objectives which will be closely monitored by the Board on a quarterly basis. The Board is also confident that this plan provides management with clear guidelines to ensure that the PPECB delivers on its mandate, whilst supporting Government and the export industry in advancing perishable produce exports from South Africa.

It is further my privilege as Chairperson of the Board to endorse the 2020 to 2025 strategic plan and wish the Executive Management team well with the execution of this plan. Notwithstanding the turbulent current economic climate, the Board remains confident that the PPECB will remain resilient over the medium term.

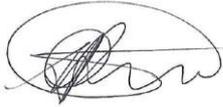
A handwritten signature in black ink, appearing to read 'APetersen', enclosed within a hand-drawn oval.

Angelo Petersen
Chairperson of PPECB Board

PPECB OFFICIAL SIGN-OFF:

It is hereby certified that this Strategic 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 impact and outcomes which the PPECB will endeavour to achieve over the period 2020 to 2025



Mr. Angelo Petersen

PPECB Chairperson of the Board



Mr. Lucien Jansen

Chief Executive Officer



Mr. Johan Schwiebus

Chief Financial Officer

PART A: OUR MANDATE

1. 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 export of perishable produce. This is achieved through the inspection of listed agricultural products and management of the cold chain. The PPECB is further mandated to conduct Food Safety audits in terms of the APS act on all Food Business Operators (FBO's) exporting perishable produce of plant origin.

During 2016 the PPECB has also been mandated by the Department of Agriculture, 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 (EU). This mandate was initially limited to the 2017 citrus season but continued until 2019 and was further extended for 2020.

The PPEC Act is still currently under review but has not been finalised. To date, the PPEC Bill has been approved by the National Economic Development and Labour Council (NEDLAC) and final certification has been received from the Office of the Chief State Law Adviser. The next step will be for the Bill to be introduced to Parliament together with the PPECB Levies Bill for further consideration.

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

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

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

PART B : OUR STRATEGIC FOCUS

1. Vision

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

2. Mission

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

3. Values

Professionalism

We aspire to doing the job right the first time, while displaying a positive attitude towards our relationships with our clients, colleagues and stakeholders.

Accountability

We pro-actively assume responsibility for all our deliverables and areas of influence. This is done by creating and maintaining an environment which fosters guidance and empowerment of the employees to take ownership of their actions.

Passion

We are driven and committed to continually serve our stakeholders with energy and enthusiasm.

Integrity

We uphold the highest standards of honesty, impartiality and confidentiality in the execution of our duties, services and stakeholder relationships.

Confidence

We believe in our people, processes, proficiency and in depth knowledge which enables us to deliver our duties and services with conviction and excellence.

Collaboration

We actively engage in building and maintaining relationships in which we share information and exchange innovative ideas with all stakeholders.

4. Situational Analysis

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

Being an independent and impartial regulator for South African perishable exports for the past 90 years, the PPECB is very much focused on delivering quality inspection services, cold chain management services and to some extent food safety certification services, based on a minimum South African export standards. Leapfrogging to an era where technological advancements will continue to disrupt the status quo, privileged information

is readily available, and consumers are spoiled for choice, the PPECB has no choice but to adapt to these rapid changes or simply face becoming irrelevant.

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

The PPECB will therefore concentrate 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 small holder farmers and supplier.

5. External Environment Analysis

Global economic growth is set to grow steadily at 3.5% for 2019 and 3.3% in 2020. Advance economies remain subdued and forecasts show that it will contract even further to 1.7% in 2020. The International Monetary Fund (IMF) further forecasts that developing economies will continue its healthy growth with 4.1% for 2019 and 4.7% for 2020. India led the way with 7.3% growth in 2018 and was expected to increase to 7.5% in 2019 but India has lost its spot as the **world's fastest-growing major economy** after it grew more slowly than expected in the first three months of **2019**. Official data showed the Indian **economy** grew 5.8%, which is slower than the 6.4% **growth** registered by China. Sub-Saharan Africa is reported to grow at 3.5% in 2019 with a slight upswing to 3.5% in 2020.

The South African economy remains under severe pressure and forecasted to level out at a meagre 0.9% in 2020. South African inflation is estimated to stabilize around 4.5% during 2020.

The battling economy certainly had a negative effect on South Africa's unemployment figures for Quarter 3 of 2019, reported at 29.1%. This represents an increase in unemployment of 1.9%, up from 27.2% in Quarter 2 of 2018. Overall employment increased by 62 000 from Quarter 2 of 2019, with agriculture increasing by 38 000 jobs between Quarter 2 to Quarter 3 of 2019. This increase in unemployment comes as a further setback, and the National Development Plan (NDP) unemployment target of 14% in 2020 seems less achievable.

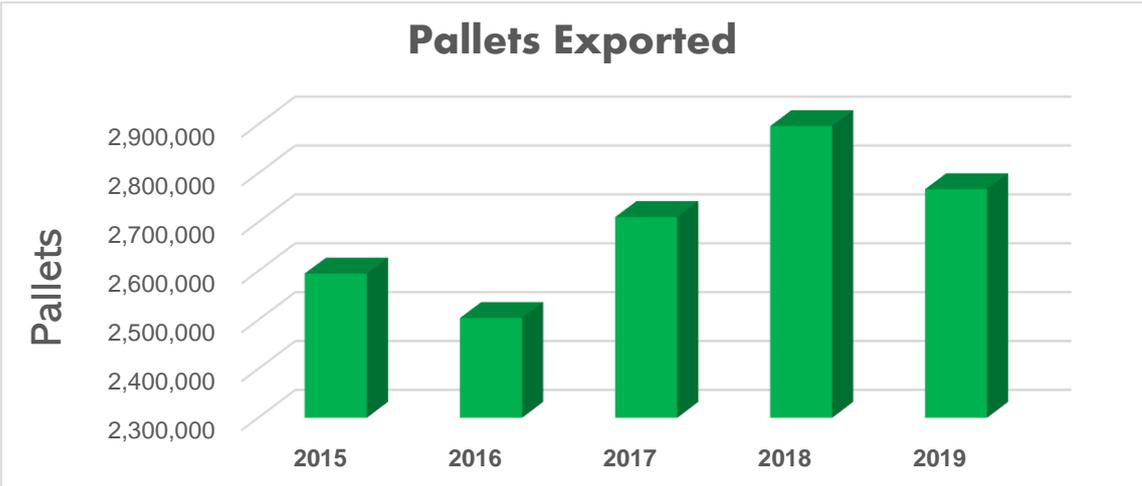
During the 2020 State of the Nation Address, President Ramaphosa reiterated Government’s commitment to economic growth that translates into job creation and structural transformation. The following areas were highlighted by the President:

- Some South African SOE’s remain in distress.
- The effect of load-shedding on the economy.
- Irregular expenditure in Government.
- Congestion in South African ports, especially Durban.
- The high unemployment rate.
- The potential of agriculture.

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 over the past 2-3 years, it appears that the production and export of main fruit commodities are on the mend. 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 marketing, various modes of transport, clearing and forwarding service providers or related professional services, among other things.

During 2018, South African perishable produce exports increased by 11.5% to 2.9 million tonnes to 92 countries. Year on year growth on this front has been steady, except for 2016 when export volumes reduced by 4%. Although positive growth was visible during 2018, volumes remained below true export potential, except for citrus fruit with a growth of 10% on the previous year. Deciduous fruit exports were on average down by 7.6%, with avocados 81% growth on previous year. Maize exports on the other hand increased from 1.7 million to 1.9 million tonnes.

Below a graphical depiction of perishable produce pallets exported over a 5 year period:



Lower volumes among major export commodities arise visible for the period 1 April to 31 July 2019. This is especially the case for citrus and avocados. Avocados has seen significant growth of 70% up until 2018. However, in 2019 there has been a reduction in volumes mainly due to persistent drought and market factors. Citrus on the other hand is set to grow by 4% in comparison with the previous year. The trend for both these products is expected to continue over the medium term due to new plantings and market forces.

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, and should the situation not improve, it certainly will have an impact on the citrus volumes for the 2020 season. The situation in the Western Cape is significantly better in 2019 compared to 2018. At the time of writing this report, dam levels were already at 82% on average. That is higher volume as compared to 2018, when dam levels were reported at just above 60%. If the Western Cape experience a normal rainfall season, deciduous fruit volumes are expected to normalise for the coming season.

From a market perspective, the European Union (EU), excluding the United Kingdom (UK) remains the biggest importer of South African fruit with 35% during 2018. The UK took a further 14% 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. During 2019, South Africa recorded nine CBS interceptions in the EU, from 2 in the previous year. This is mainly attributed to adverse weather conditions. False Codling Moth (FCM) became a regulated pest in the EU 2017 and 19 interceptions were recorded in EU in 2019. In addition to this, Fruit Fly has become a regulated pest in the EU on citrus, peaches, nectarines and mangoes in 2019.

Asia remains a market with huge potential, with 21% of fruit exported to this region during 2019, up from 20% in 2017. With Asia's economy set to grow at 5.0% for the remainder of 2019 and 2020, the importance of increased market access to this region cannot be overemphasized. Only looking at the growth in South African avocado production, Europe currently being the main market for South African avocados, will not be able to absorb the additional avocado volumes in the near future.

The positive is however that avocados have become very popular and trendy in China, a market that will easily absorb avocado volumes from South Africa. It is therefore essential that efforts to create market access for South African avocados be increased to avoid devastating effects on avocado producers and exporters.

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 34 498 in 2017/2018 to 35 239 in 2018/2019. It is reported that these products are becoming extremely popular, of great value to South Africa due to their high returns.

With the role of SOE's under review, Government's vision for SOE's to play an even greater role in supporting Government to achieve its objectives bodes well with the PPECB's strategy to pursue additional mandates with a strategic fit. During 2017 the PPECB has been handed the mandate to manage the phytosanitary programme for citrus exports to the EU by the Department of Agriculture, Land Reform and Rural Development (DALRRD). The mandate was handed to the PPECB temporarily for 1 year, which has since been extended until the 2020 citrus season.

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. An example here is the 2018/2019 grape season, where competing Southern Hemisphere countries caused an oversupplied market, resulting in below par financial returns. 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.

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 January 2018, false codling moth (FCM) became a regulated pest for exports to the EU. This necessitated the introduction of additional controls for exports from South Africa, making it even more challenging to access this anchor market. These policy changes are expected to continue over the medium term, requiring the SA export industry to become even more flexible.

Volumes of major fruit products has seen an upswing over the past 2 years, mainly due to new plantings. Citrus fruit exports have grown by 7% from 2017 to 2018. Avocado exports have increased by 24% over the same period. The growth in both avocado and citrus exports are 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.

Whilst the USA remains the world's largest economy, the rise of the East cannot be ignored. China, the world second largest economy advanced by 6.4% (the worst in 24 years) during 2018, compared to the USA's 2.6% for the same period. South Africa's anchor market, Europe's economy grew by a meagre 1.9% on average during 2018. With a population of nearly 1.4 billion, the buying power in China and surrounds is beyond measure. The barriers to entry and the distance from South Africa remains of great concern.

It is 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

6. Internal Environment Analysis

During 2019, the PPECB Board has approved a business strategy in support of the PPECB's medium term objectives. The strategy is directed to move the organization 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 individualized service offerings, online interactions, and the availability of information at their fingertips. Self-service functionalities have become the norm rather than the exception.

Global investment in agricultural technology has increased by 82% between the period of 2010 to 2015 (World Government Summit, 2018). Drones, robotics, IOT, to name a few, have become a common sight in agriculture, even in South Africa. It is expected that human intervention will reduce and will be replaced by machine learning. Businesses are therefore under pressure to respond to this change and be able to integrate with such systems for an enhanced client experience and improved efficiencies.

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.”

PPECB must adapt our 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 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.

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 – suppliers; clients; DALRRD; 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.

The PPECB has the potential to become an ecosystem hub for the industries it serves. In a sense this is already happening but more through instinct than with purpose. Examples is the assistance PPECB is providing to DALRRD and the industries with regard to market access and the collaborative approach to research and development. Through self-organisation and a more focused approach this can be improved to reach its full potential.

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.

PART C: MEASURING OUR PERFORMANCE

1. Institutional performance information

The focus of performance over the medium term will be on continued service delivery without compromising the integrity of product quality and continued contribution towards social responsibility including performing technical research and development; providing training and assistance to previously disadvantaged individuals and 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.

2. Impact Statement

PPECB is an independent service provider of quality assurance, food safety and cold chain services appointed by DALRRD to ensure the orderly export of perishables products and to improve the competitiveness of our customers in the international market. In addition, the PPECB aims to contribute to Priorities 1 and 7 of the National Development Plan, namely Economic Transformation and A better Africa and World.

3. Measuring Our Outcomes

3.1 Explanation of planned performance over the five-year planning period

The entity will further remain focused on delivering an efficient service to customers and strengthening relationships with stakeholders locally and abroad. The PPECB will also persist with its strategy of consolidation and seek to place a greater reliance on systems and technology to enhance service delivery over the medium term. The entity further remains committed to deliver services with integrity and professionalism, and given the current economic landscape, the PPECB will pay specific attention to managing and controlling expenditure, without compromising service delivery.

To create value for our ecosystem members we need to strengthen our capabilities on:

- 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
- 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 (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.

MTSF PRIORITY	PRIORITY 1 : ECONOMIC TRANSFORMATION AND JOB CREATION		
Outcomes	Outcome Indicators	Baseline	Five year target
Strengthen the PPECB's capacity to provide a professional suite of services for its clients	Customer satisfaction rating based on a percentage	80%	80%
Contribute to the socio-economic transformation of the agricultural sector	Number of previously disadvantaged individuals upskilled through PPECB's AETP and transformation initiatives in the agricultural sector	238	400

MTSF PRIORITY	PRIORITY 7 : A BETTER AFRICA AND WORLD		
Outcomes	Outcome Indicators	Baseline	Five year target
Enhance the credibility of the South African Export certificate	Zero markets closed as a result of poor quality and food safety non compliance	0	0
Support the export competitiveness of South African perishable products industries	Enable percentage growth in main perishable product exports (citrus, grapes, pome, stone and avo's)	2%	8%

4. Key Risks and Mitigations

Below is a summary of the key risks and mitigations.

Outcomes	Key Risk	Risk Mitigations (Current controls and Actions)
Efficient service delivery	Information Security threats	<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.
Process Transformation	Failure of the PPECB people, process, systems and products to keep up with trends and advancements	<ul style="list-style-type: none"> – Implementation of Business strategy – Identify skills required to respond to new business strategy – Keeping abreast with latest technological advancements
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"> – Conduct Talent Forums to determine skills availability – Introducing training programmes aligned to 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"> – LRMG have been contracted to raise awareness and assist the business with implementation of the new Business strategy – Review PPECB values if still relevant to the new business strategy. – Define the PPECB purpose
Efficient service delivery	Volatility of critical infrastructure and technology services	<ul style="list-style-type: none"> – Seek alternative back-up power for key regional offices and the laboratory – Incident Response testing of Disaster Recovery Plan – Seek alternative connectivity at remote sites due to insufficient telecommunication infrastructure
Efficient service delivery	Successful implementation on TITAN 2.0 [®] to deliver business value, system integration and business intelligence	<ul style="list-style-type: none"> – Penetration test for TITAN 2.0[®] – Monitoring of industry vendor readiness to delivery to clients
Process transformation and efficient service delivery	Successful implementation of ERP to deliver business value, system integration and business intelligence	<ul style="list-style-type: none"> – Formulate a change management strategy and implement it – Integration of TITAN 2.0[®], ERP and Master Data alignment with NAV.
Business transformation	Lack of meaningful contribution to industry transformation	<ul style="list-style-type: none"> – Implementation of the Transformation Strategy and new transformation initiatives – Formulate action plan for Agri BEE guidelines create awareness to the industry
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 – Automation of controls in ERP system comply with certain legislation
Efficient service delivery	Under recovery of costs	<ul style="list-style-type: none"> – Formalisation of Laboratory expansion strategy – Review expenditure in line with cost containment – Review of the costing/funding model – Re-negotiation of additional DALRRD mandates

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 or assessment	Spend on B-BBEE suppliers is divided by the total spend and that gives the percentage of B-BBEE spend.
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 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 or assessment	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.
Assumptions	The majority of clients will subscribe to government's and PPECB's electronic platforms.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 or assessment	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.
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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	This we calculate based on the number of processes transformed to electronic or digitised.
Method of Calculation or assessment	Total number of processes converted
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 we 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 or assessment	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.
Assumptions	The fixed percentage inspection will continue to be the officially applied methodology.
Disaggregation of beneficiaries	N/A
Spatial transformation (where applicable)	N/A
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 or assessment	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).
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation (where applicable)	N/A
Desired performance	Desired performance is to achieve 60% of cartons captured on TITAN 2.0® for 20/21 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 or assessment	All activity points that were able to exchange data with the PPECB tablet technology system for a financial year.
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation (where applicable)	N/A
Desired performance	Desired performance is to achieve at least 200 activity points
Indicator responsibility	Application Development Manager

PROGRAMME 3 : FOOD SAFETY SERVICES	
Indicator Title	Number of samples analysed 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 or assessment	Volumes of samples analysed for different tests are counted by the LIMS automatically as received at sample reception.
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 or assessment	A count of the number of Food Safety Certificates issued in a Quarter to Exporting Food Business Operators
Assumptions	PPECB will be continue to act as appointed agent by DALRRD
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 or assessment	The indicator is calculated through stipulating the number of students graduated (who successfully meet the final requirements of the learnership)
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 small holder farmers trained
Definition	The number of small holder farmers trained by PPECB.
Source of data	Attendance registers completed by farmers during training sessions
Method of Calculation or assessment	Adding together all the farmers who attended training sessions during a quarter across all registers
Assumptions	N/A
Disaggregation of beneficiaries	N/A
Spatial transformation (where applicable)	N/A
Desired performance	Performance which is higher than the target is desirable as this means that more small holder farmers have an awareness of post-harvest activities
Indicator responsibility	Learning and Development 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 or assessment	A count of the number of new skills identified and trained for
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 or assessment	The number of technical professionals evaluated as competent expressed as a percentage of the total number of technical professionals.
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
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 small holder farmers certified for export
Definition	Reporting on the number of small holder 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 or assessment	A count of the number of certificates issued in a quarter to small holder farmers
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Desired performance	Performance which is higher than the target is desirable as this means that more small holder farmers have gained market access
Indicator responsibility	Learning and Development 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
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
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
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
PPECB	Perishable Products Export Control Board
QSE	Qualifying Small Enterprises
RMS	Risk Management System
S&T	Subsistence & Travel
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
UK	United Kingdom
USA	United States of America
USDA	US Department of Agriculture
VGM	Verified Gross Mass