

# **ppecb** **annual report**

**05-06**

## **portfolio committee** **on agriculture & land** **affairs**

**2006-10-18**

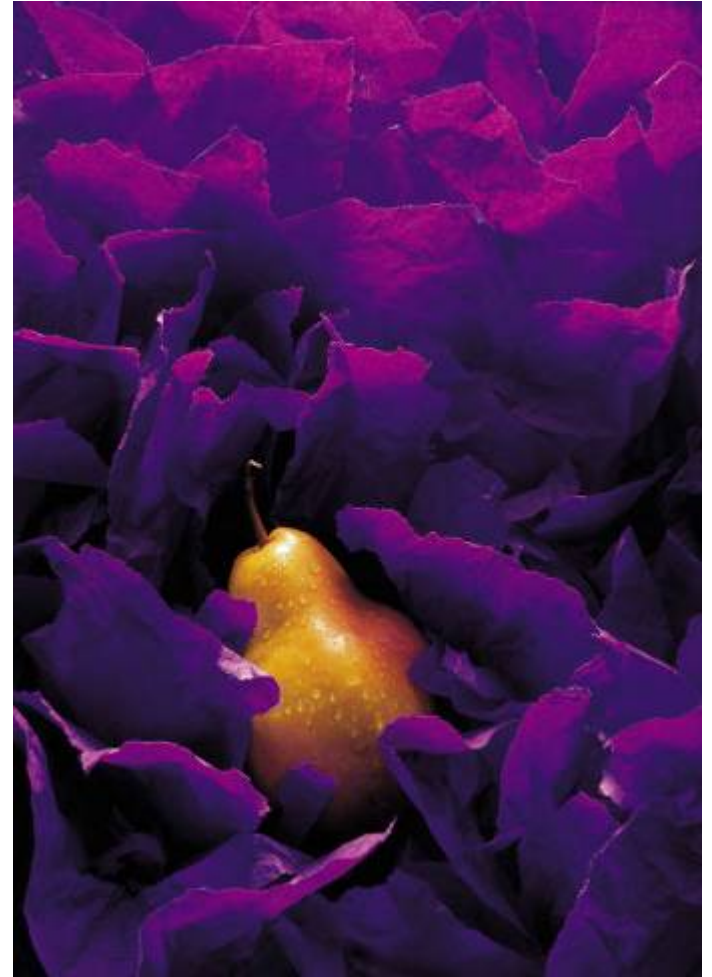


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**objective**

**to bring  
about the  
orderly and  
efficient  
export of  
perishable  
products  
from the rsa**



# ppecb board members

board members are appointed by the minister of agriculture and land affairs in terms of the ppecb act



# ppecb executive management



**Neels Hubinger**  
*CE*



**Adela Samodien**  
*Secretariat*



**Brigitte da Gama**  
*HR*



**Gerrit Bruwer**  
*Ancillary Services*



**Johan Schwiebus**  
*Finance & IT*



**Dean Martin**  
*Operations*

# **purpose statement**

**ppecb instills  
confidence in  
food by impartially  
delivering food  
safety and quality  
assurance services**



# service categories

- product and equipment certification
- systems certification & auditing  
(quality & food safety management systems)
- cold chain management
- laboratory services
- standards & protocol management
- statistical information
- advisory services and training
- export control and certification

# executive summary

## ■ people, technology, assets

- new hr executive
- review performance management system
- expand information technology and business development
- revamped website-fresh corporate image
- electronic balanced scorecard
- sold conference facility-grabouw

# executive summary

- *cont.*

## ■ quality management

- product quality management system

## ■ official food safety

- assigned by doa
- eu food safety regulations
- eu delegation visit

# operations

- programme management
- declining export figures
- centralised sterilisation-durban port
- new steri destination-iran
- citrus fruit to india, china & indonesia
- 193 422 pallets loaded & shipped under cold treatment conditions
- conventional shipping reduced by 15%



# operations

- *cont.*

- r&d programme reap benefits
- protocols for warm citrus loading updated due to successful trials
- assist to initiate packaging & logistics forum
- research on modified airflow in containers

# ancillary & development serv

- ☀ quality management system
  - maintained status of iso certification
  - opportunity for improvement
- ☀ mycotoxin analytical laboratory (map)
  - food safety regulation
  - internationally recognised
  - external audit = zero findings

# ancillary & development serv

*- cont.*

## ✿ sa pip

- ensure market access in the eu
- co-funded by the eu
- biggest budget items are mrl trials and adaptive research projects
- emerging farmer training & working group
- small scale farmer projects

# ancillary & development serv

*- cont.*

## ☀ food safety

- fulfill mandate to conduct food safety audits an registered food business operators
- market access in the eu
- 2006 pilot phase for fbo risk assessment
- audit procedures according to qms principles
- compliance with sop for sampling & analysis of residues

# ancillary & development serv

*- cont.*

## ☀ certification services

- accredited to iso 62 & 65
- eurepgap, haccp, brc
- approved service provider for tesco nature's choice
- preferred service provider for pick 'n pay low risk audits

*the changing face  
of*

**ppecb human capital**



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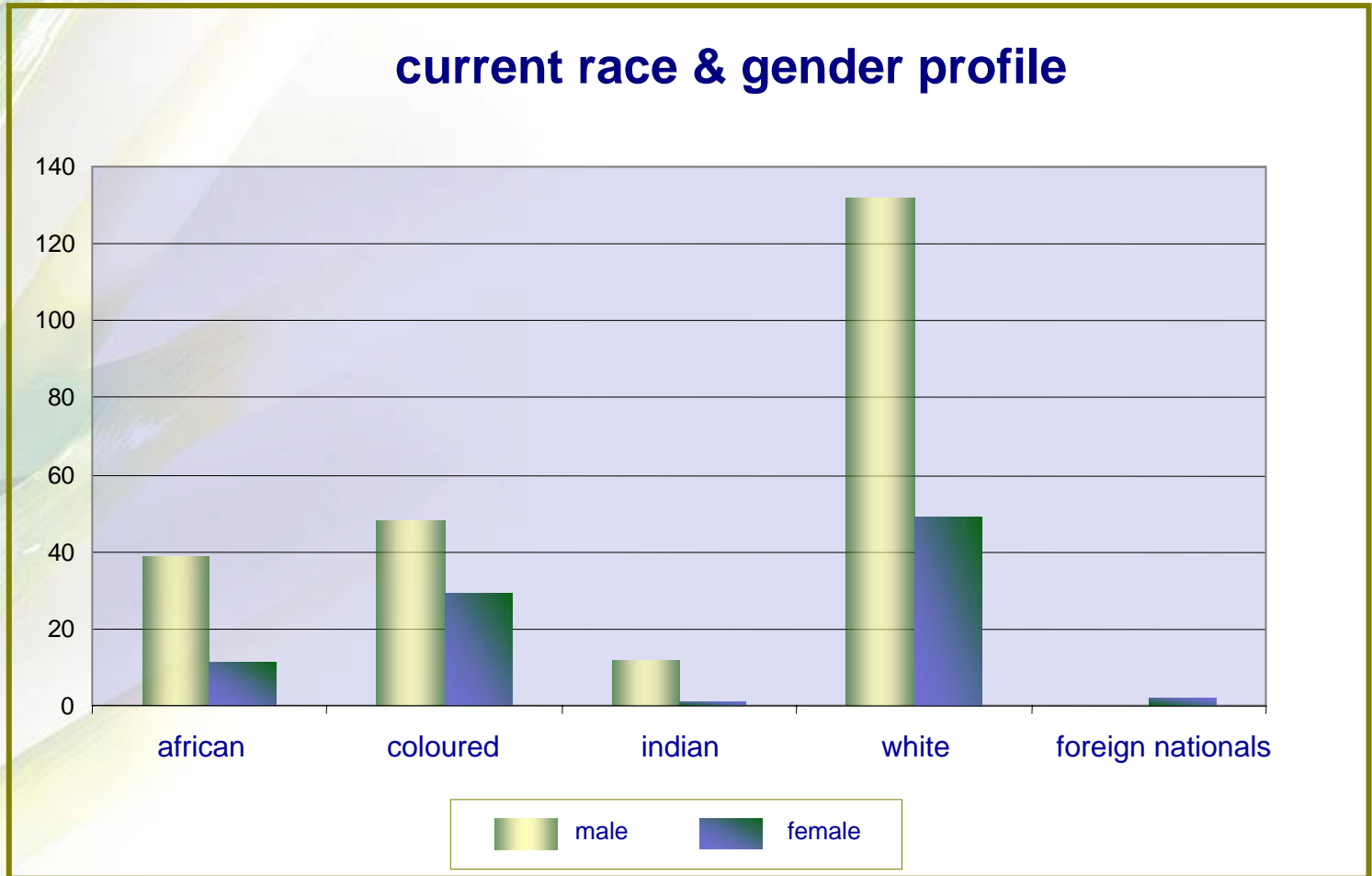
# overview of ppecb human capital will cover:-

- **current ppecb demographics**
- **solutions to ppecb transformation challenges**
- **new initiatives**

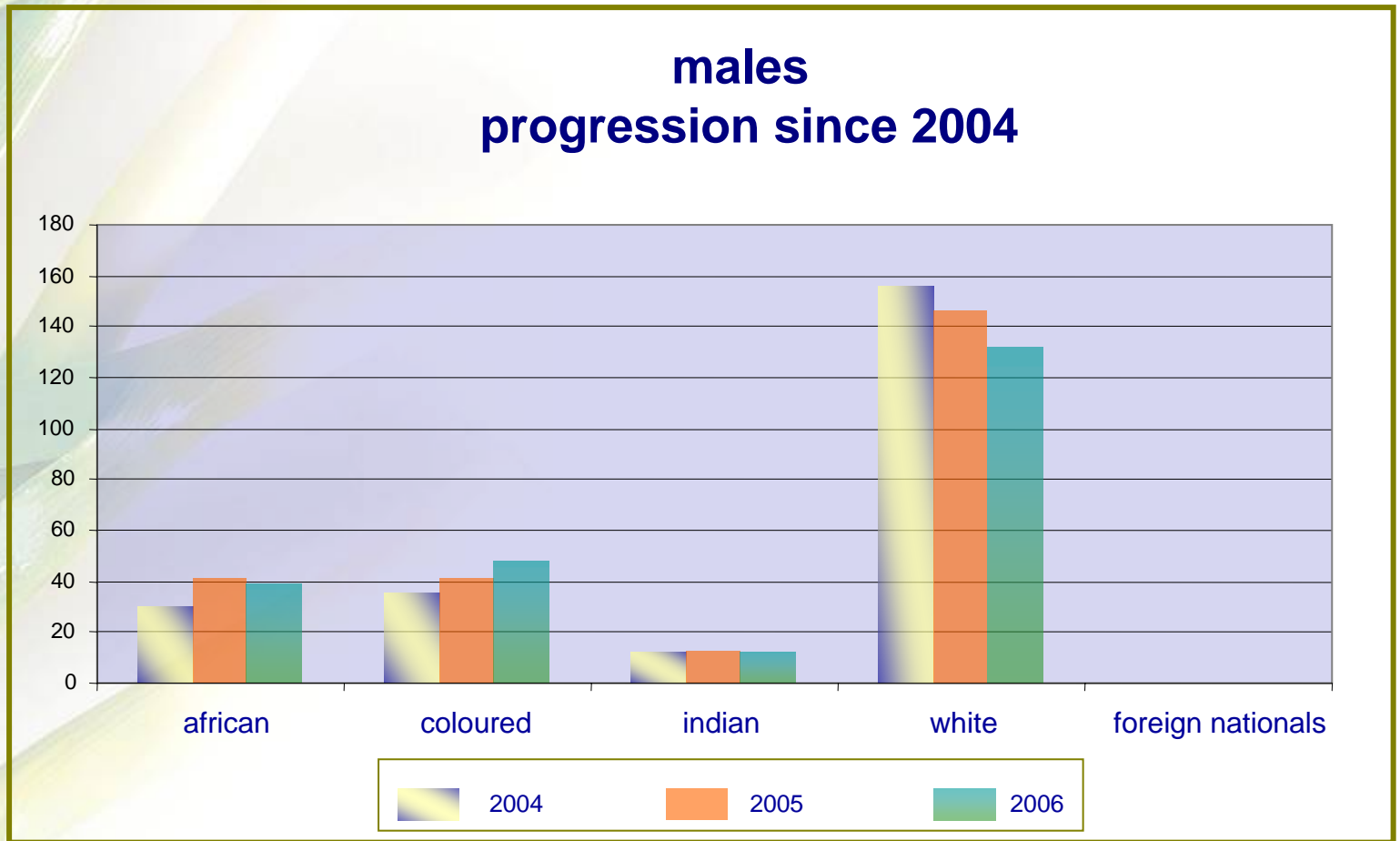


# current status

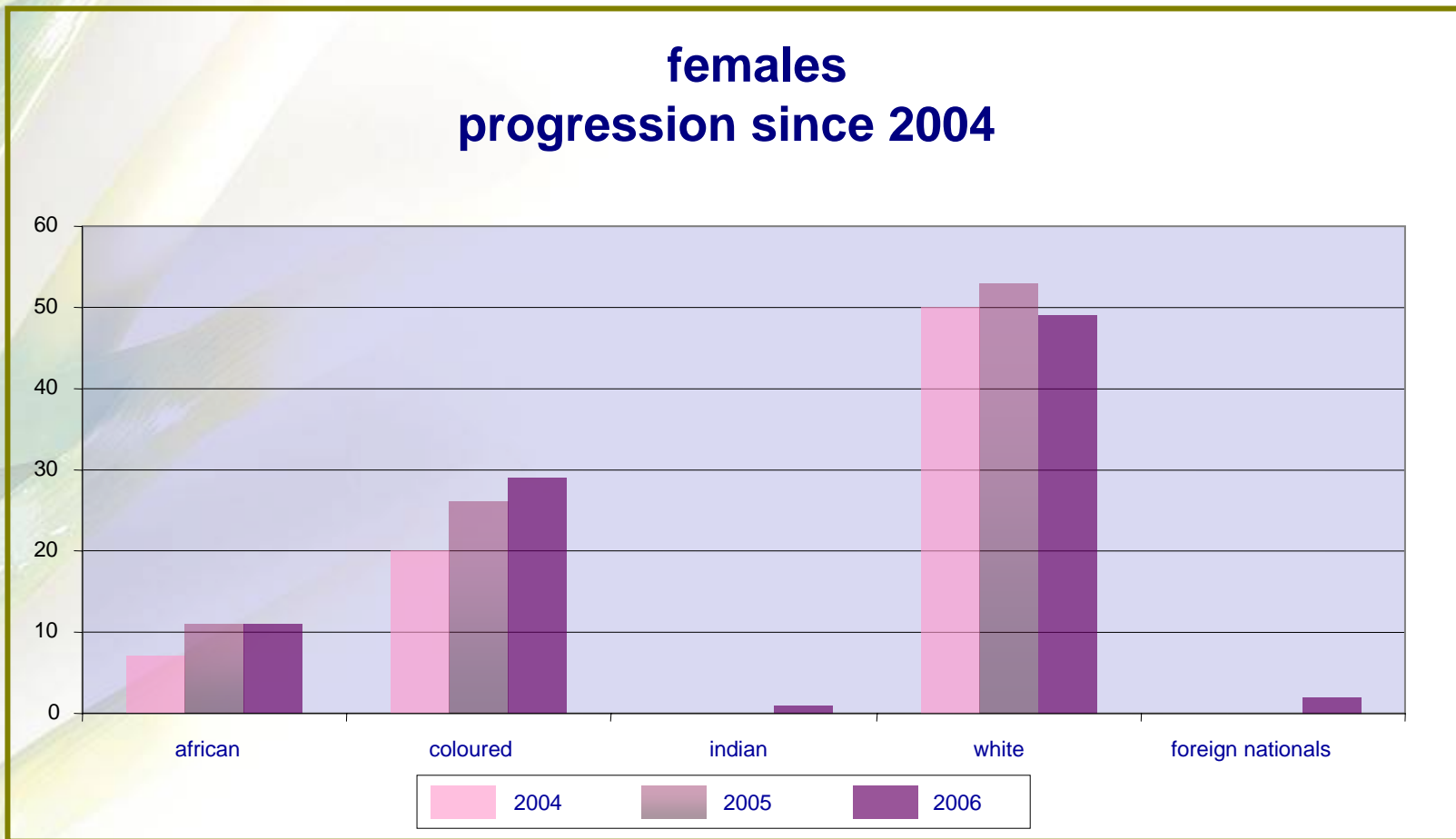
a picture of the total current demographics



# 3-year trend of male employees

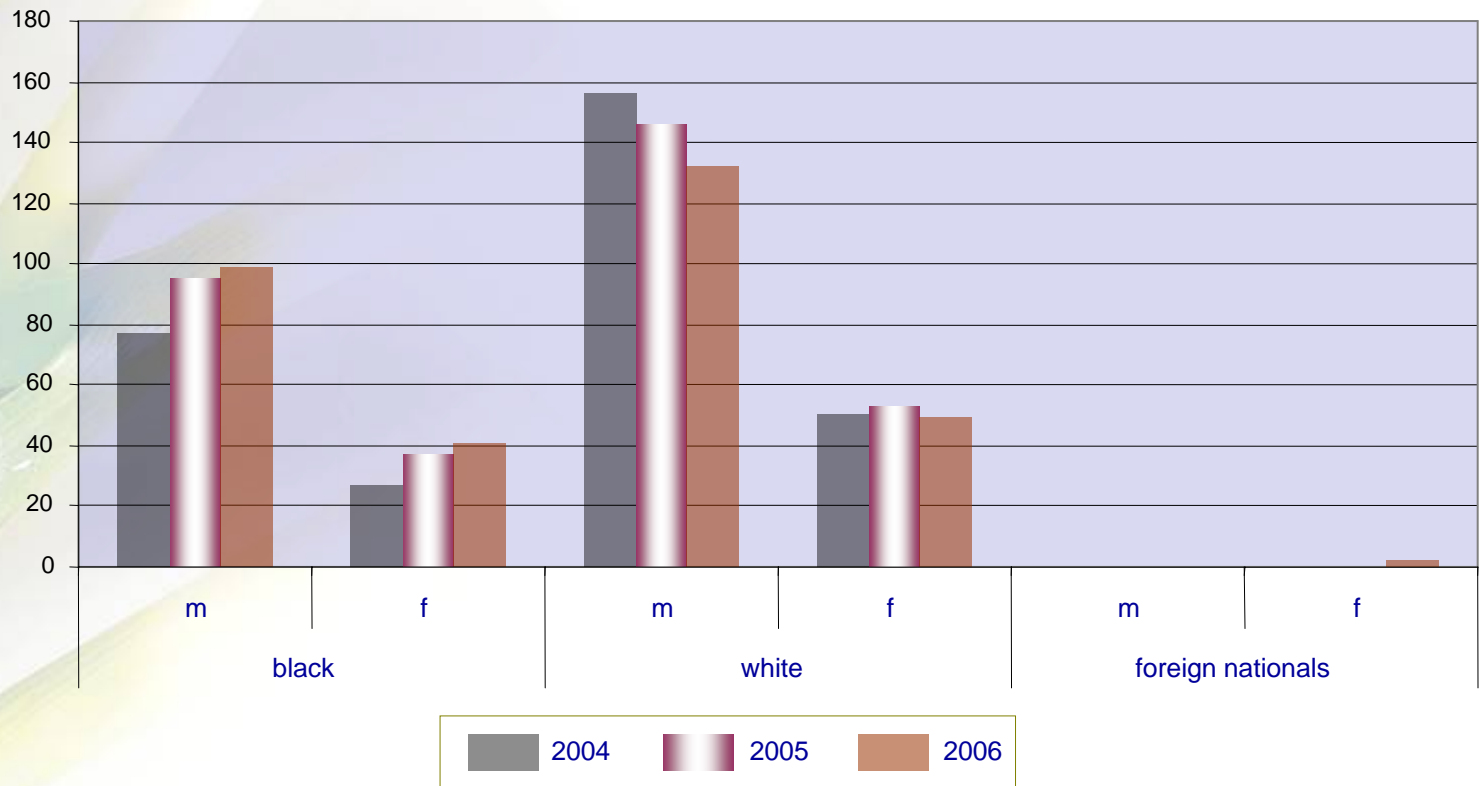


# 3-year trend of female employees



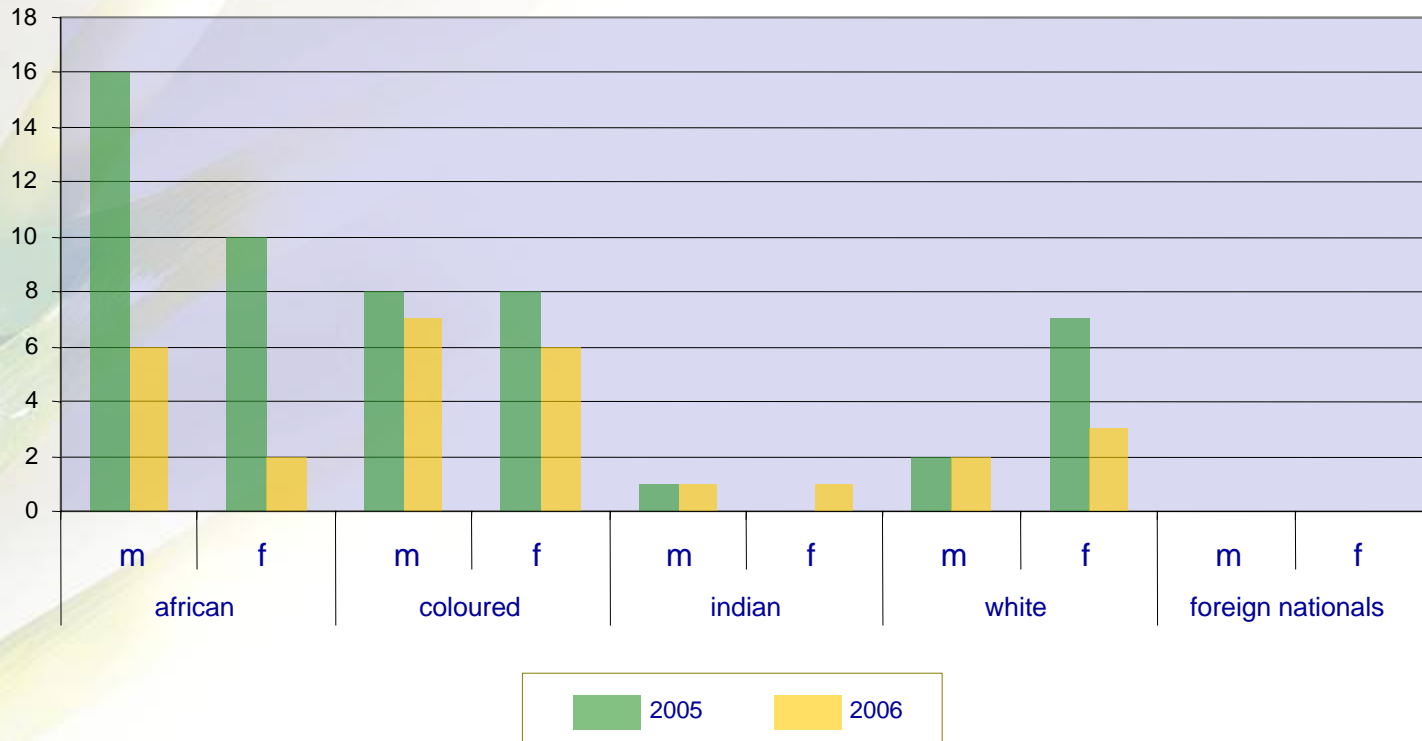
# 3-year trend of white and black employees

## demographic progression since 2004



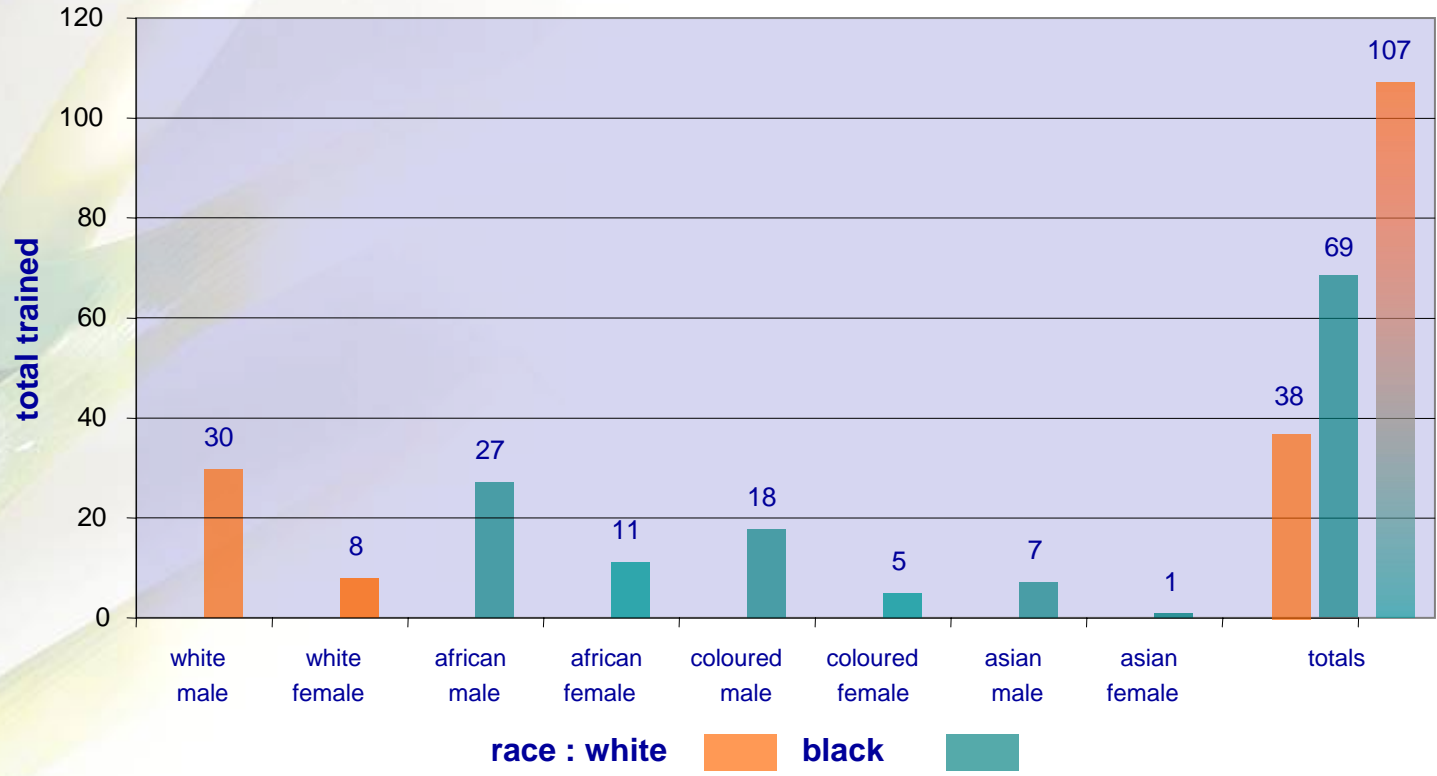
# recruitment trends

## recruitment 2005 vs 2006



# beneficiaries of corporate training resources

## corporate training programme april – sept 06



# transformation challenges

- ✦ staff profile is still predominantly white
- ✦ lack of adequate representation of women at all levels but especially at decision-making levels
- ✦ lack of adequate representation of african people in decision-making positions

# solutions

- ppecb agri export technologist programme
- conference on women in agriculture - 2007
- a complete review of existing practices –new ee plan, 50% rule in training
- diversity training
- leadership development programme
- ppecb accredited as training provider
- review organisational structure – integrate development services
- limpopo project

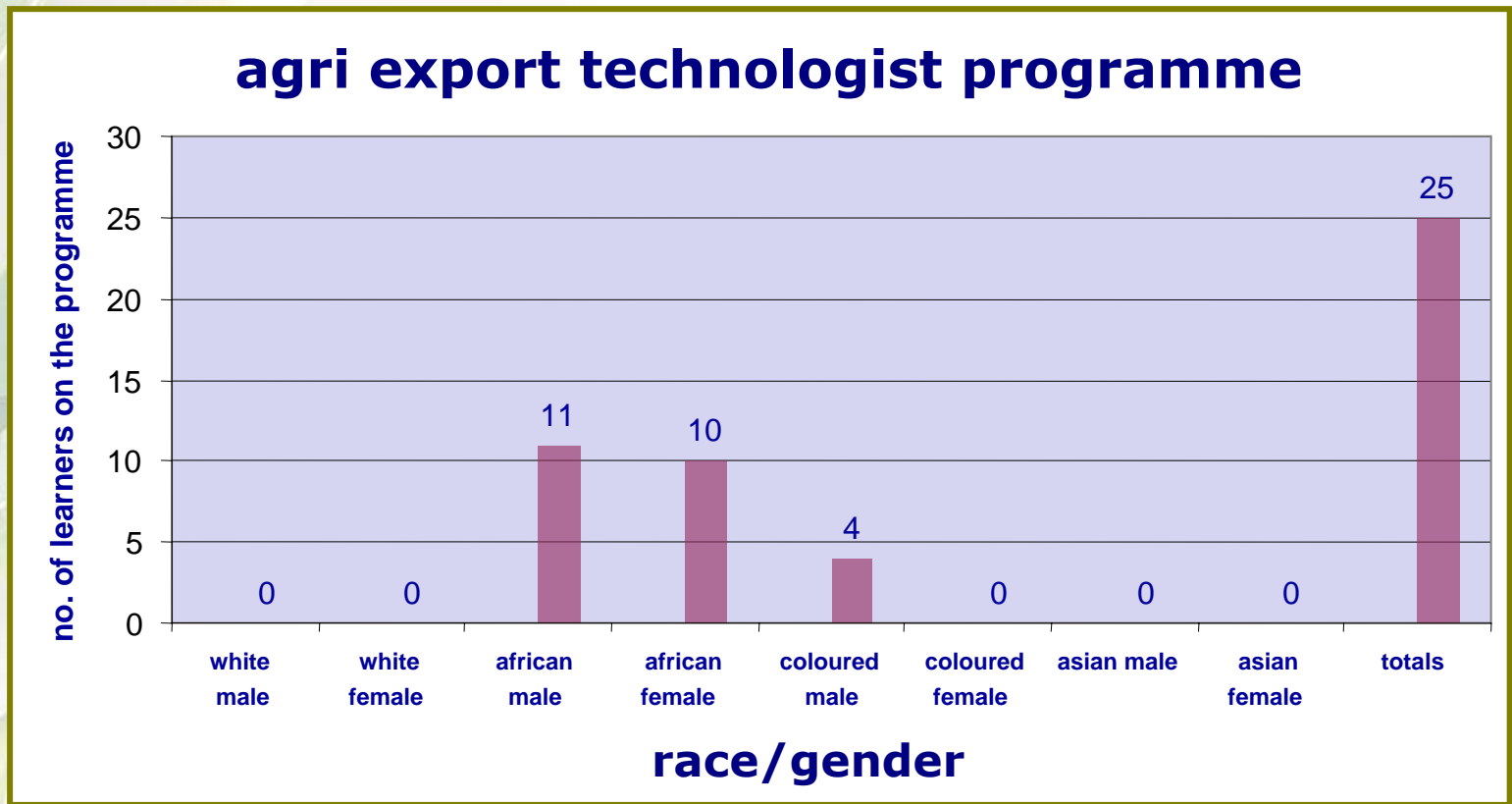
# ppecb agri export technologist programme – goals

- ❑ develop a new accredited qualification for learners
- ❑ ensure that 100 unemployed or newly graduated black learners receive on-the-job training
- ❑ graduate 100 learners with an accredited qualification with a specialisation (e.g. grapes, grain or citrus)

# ppecb agri export technologist programme – goals *- cont.*

- create an opportunity for 100 new black farmers to be mentored
- expose learners to cutting-edge thinking in the industry through innovation seminars
- facilitate the placement of graduates into jobs in the industry thereby assisting to transform the industry

# demographic composition: agri export technologist programme



# conference on women in agriculture – goals

- create an opportunity for 150 delegates to attend a 2-day conference on women in the industry
- broad cross-section of women (from agribusiness, agri-academia, government and farm workers) will be invited to participate
- aim is for women to have a dialogue on the role of women in agriculture; their participation, experiences, problems and successes

# conference on women in agriculture – goals *-cont.*

- make recommendations to government on policies that will facilitate their participation in the industry, especially into senior decision-making positions
- women in agriculture will have the opportunity to create sustainable networks in the sector

# conference on women in agriculture will cover

- career prospects for women in agriculture
- transformation of agriculture
- the disparate representation of women in decision-making positions in agriculture
- opportunities for participation in agri-business
- experiences and participation of women in agri-academia and agri-research
- the experiences of female farm labourers
- the encouragement of women in agricultural export
- government's policy to encourage women to participate in agriculture

# development activities in limpopo

- ppecb has joined forces with the doa in limpopo in applying for eu funding
- ppecb will train 150 extension technicians/officers
- 7-day skills programme covering training on
  - ✓ health & safety
  - ✓ food safety
  - ✓ factors influencing export viability & quality assurance

# objectives of limpopo project

through trained extension technicians:-

- improve market access of commercial and new farmers through compliance to international standards and protocols
- to develop new farmers to allow them inclusion as mainstream commercial farmers therefore bridging the gap between new farmers and commercial farmers
- provide technical support to the beneficiaries of the land redistribution process



# annual results for 2006





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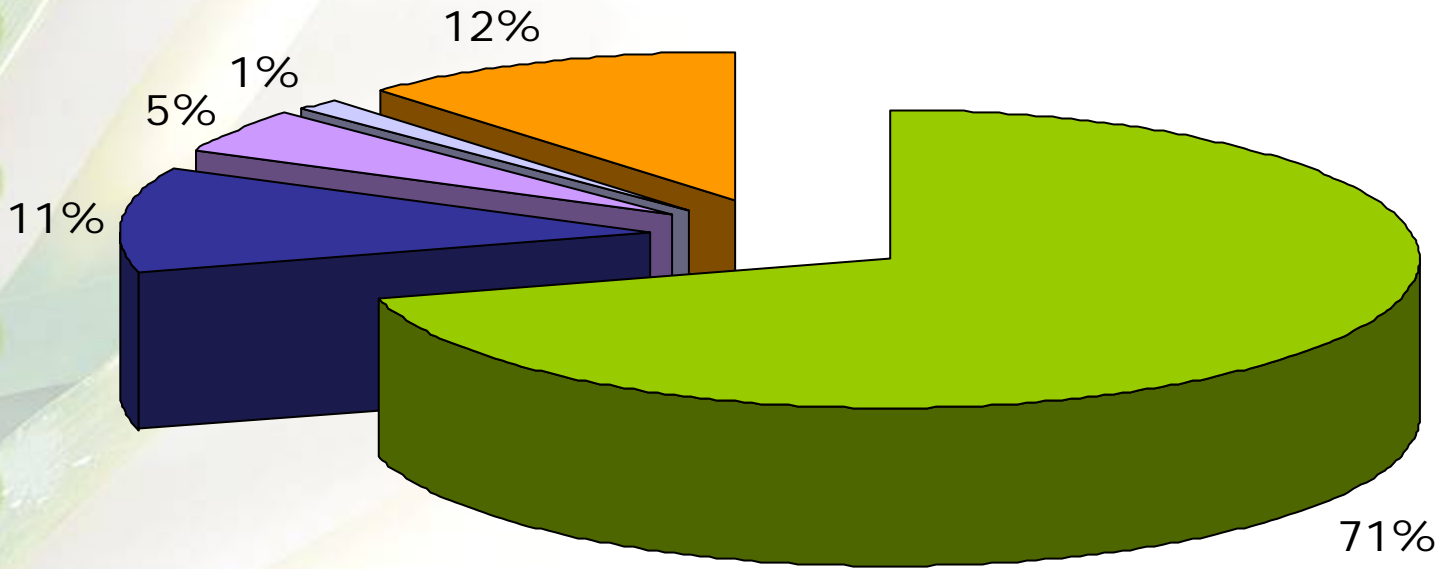
# financial results against budget

	actual 2006	budget	%Δ
net shortfall	<b>R5,8m</b>	Break-even	
income	R94,9m	R104,4m	(10%)
expense	R100,7m	R104,4m	(4%)

# variances

	<b>RΔ</b>	
<b>volume variance</b>	<b>R9,5m</b>	
<b>expenditure saving</b>	<b>R3,7m</b>	
<b>budget variance</b>	<b>R5,8m</b>	

# expenditure components



**employ**   **activity**   **computer**   **training**   **admin**

# procurement programme

<b>total procurement value</b>	<b>R30,7m</b>
<b>value of HDI supplies</b>	<b>R12,3m</b>
<b>HDI suppliers as % of total</b>	<b>40%</b>

# balance sheet





	<b>Rm</b>	<b>RΔ</b>	
<b>reserves</b>	<b>R32,1m</b>	<b>R5,8m</b>	
<b>assets</b>	<b>R9,0</b>	<b>R0,6m</b>	
<b>financial assets and cash</b>	<b>R24,9m</b>	<b>R5,6m</b>	
<b>receivables</b>	<b>R9,9m</b>	<b>R0,3m</b>	
<b>payables</b>	<b>R11,7m</b>	<b>R0,2m</b>	

# financial results


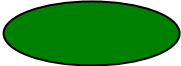
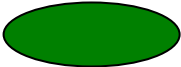
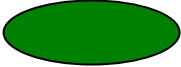


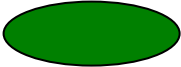


# historic trends since 1994

- volume growth
- more players
- global requirements
- information
- capacity building

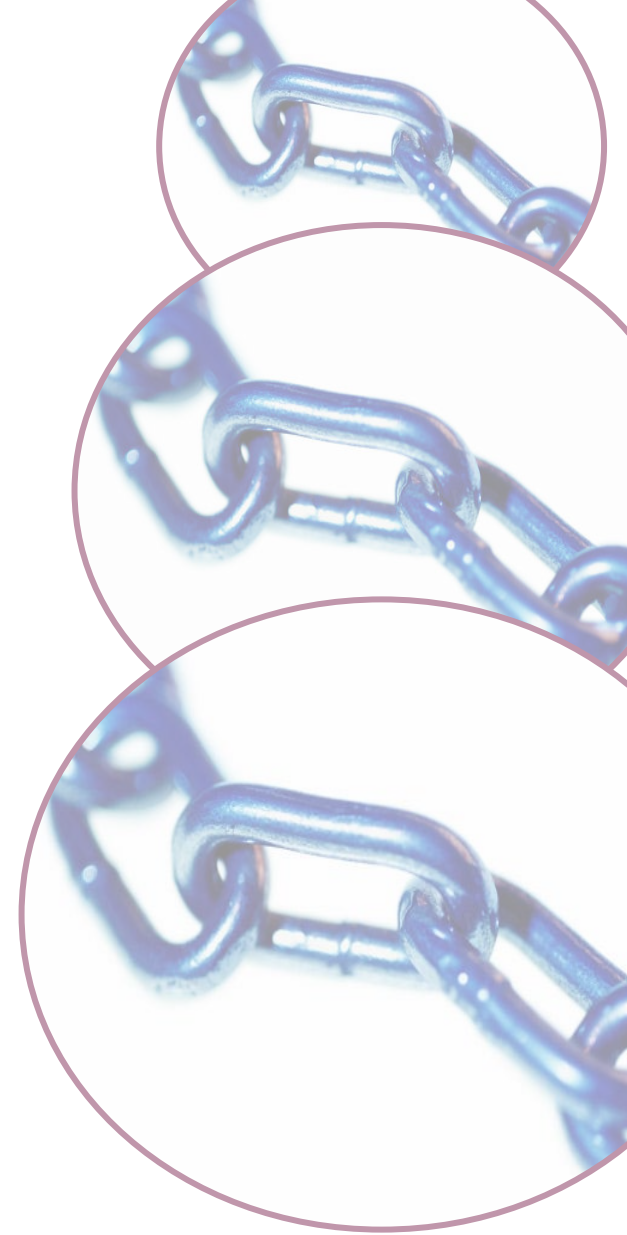
	%Δ	
<b>cartons inspected</b>	<b>5,1%</b>	
<b>pallets exported</b>	<b>5,2%</b>	
<b>activity points</b>	<b>2 230</b>	
<b>customers</b>	<b>4 390</b>	
<b>expenses</b>	<b>15%</b>	
<b>levies</b>	<b>6%</b>	

# pfma reporting section 55

	<b>R</b>	
<b>effective internal controls</b>		
<b>safeguarding assets</b>	<b>R43,8m</b>	
<b>material losses</b>	<b>R0</b>	
<b>fruitless &amp; wasteful expenses</b>	<b>R0</b>	
<b>irregular expenses</b>	<b>R0</b>	
<b>unauthorised expenditure</b>	<b>R0</b>	
<b>criminal or disciplinary steps</b>	<b>none</b>	

# future prospects

- firm markets
- global oversupply
- weaker rand
- good prices
- marginally higher volume exports
- achieve reforecasted break-even



thank you



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