

PPECB

PPECB

Your Passport to International Trade

annual report for the
financial year 2006-2007

your passport to international trade

portfolio committee on agriculture & land affairs

06-07

2007-10-30

ppecb board members

for the reporting period March 06- Dec 06

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



ppecb board members

for the reporting period Jan 07- March 07

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



Mr AM Hawes



Mr CA Atkins



Mr GG Burelli



Mr A Rabe



Mrs E Alexander



Ms TI Engelbrecht



Ms T Sinoamadi



Mr SE Mokoene



Mr HP Booyesen



Ms MC Sixolo



Mr E Rademeyer

ppecb executive management



Johan Schwiebus
Chief Financial Officer



Dr Gerrit Bruwer
Business Development



Dean Martin
Operations



Adela Fortune
Secretariat/Legal/HR

purpose statement

**we are your trusted partner
in creating world wide
confidence in fresh export
products applying global
standards through
competent & motivated
people**



service categories

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

■ people, technology, assets

- ppecb 80 year anniversary
- review of the ppecb legislation
- ppecb reflects a healthy financial year
- agri export technologist programme
- ppecb elected as the only certification body in south africa on the eurepgap certification body committee.

executive summary - cont.

■ official food safety

- ppecb received a positive report from the FVO

■ development services

- implementing agency for development programs
- accredited training provider
- research and development

statutory operations

- programme management
- declining export figures
- harmonisation of standards amongst assessors

statutory operations - *cont.*

- containers carried 63% of all fruit during the year as apposed to only 52% in 2005.
- the balanced carried by conventional shipping
- a total of 188 million cartons were inspected in 2006 in comparison to 189 million cartons the previous year.
- the number of countries requiring sterilization treatment increased to 15 with the inclusion of China

ancillary & development services

■ food safety

- fulfill mandate to conduct food safety audits on registered food business operators
- positive outcome from the FVO visit
- sop's for mrl, traceability and export certification

■ mycotoxin analytical laboratory (map)

- map has diversified services to other industries with a positive result
- sanas accredited and internationally recognized

■ SA PIP

(South African Pesticide Initiative Program)



Co-funded by
European Commission



Department of
Agriculture

- most successful EU funded program in South Africa
- implementation on behalf of DoA
- market access to the EU for SA growers
- contribute to presidential goal of increasing exports from EF by 10-15% with SA PIP-assistance to growers
- 99% of donor funds spent in South Africa (local expertise, infrastructure and management)
- clean audit report - good governance of EU funds



ancillary & development services

- *cont.*

■ SA PIP (cont.)



Co-funded by
European Commission



Department of
Agriculture

- >6000 direct beneficiaries from emerging sector
- focus on female beneficiaries and gender equity in management team
- 5 small scale farmer groups supported – now exporting stone fruit, citrus, grapes and macadamia nuts
- sponsored 24 HDIs for the agri-export tech. course
- one stop shop for mrl information
- co-funded over 344 research projects and field trials for responsible crop protection measure



ancillary & development services

- cont.



■ SA PIP (cont.)



Co-funded by
European Commission



Department of
Agriculture



- SSF projects: **953** direct beneficiaries (EFs) and **3670** farm workers benefit. total budget 2.1m Rand.
- **3772** EF integrated in existing grower associations, benefiting from network and sustainability. R1.1m
- first to establish national data base of horticultural EFs (**471** entries) in South Africa.
- operational EFWG links emerging farmers nation wide
- trained **694** emerging farmers on responsible pesticide handling.
- HDI service providers including NAFU, trainers, caterers, communication services.

■ certification services

- increased scope under iso 62 targeting food sector
- eurepgap, haccp, brc
- approved service provider for tesco nature's choice
- appointed as 2nd party auditor for the largest retail group supplier for low risk products
- training & technical support to train clients to comply with international standards
- member of EUREPGAP certification body committee

■ research & development in cold chain

- reposition ourselves as a leading institution locally and internationally
- container technology (airflow), packaging design and temperature management
- various invitations locally and overseas

ppecb human resources

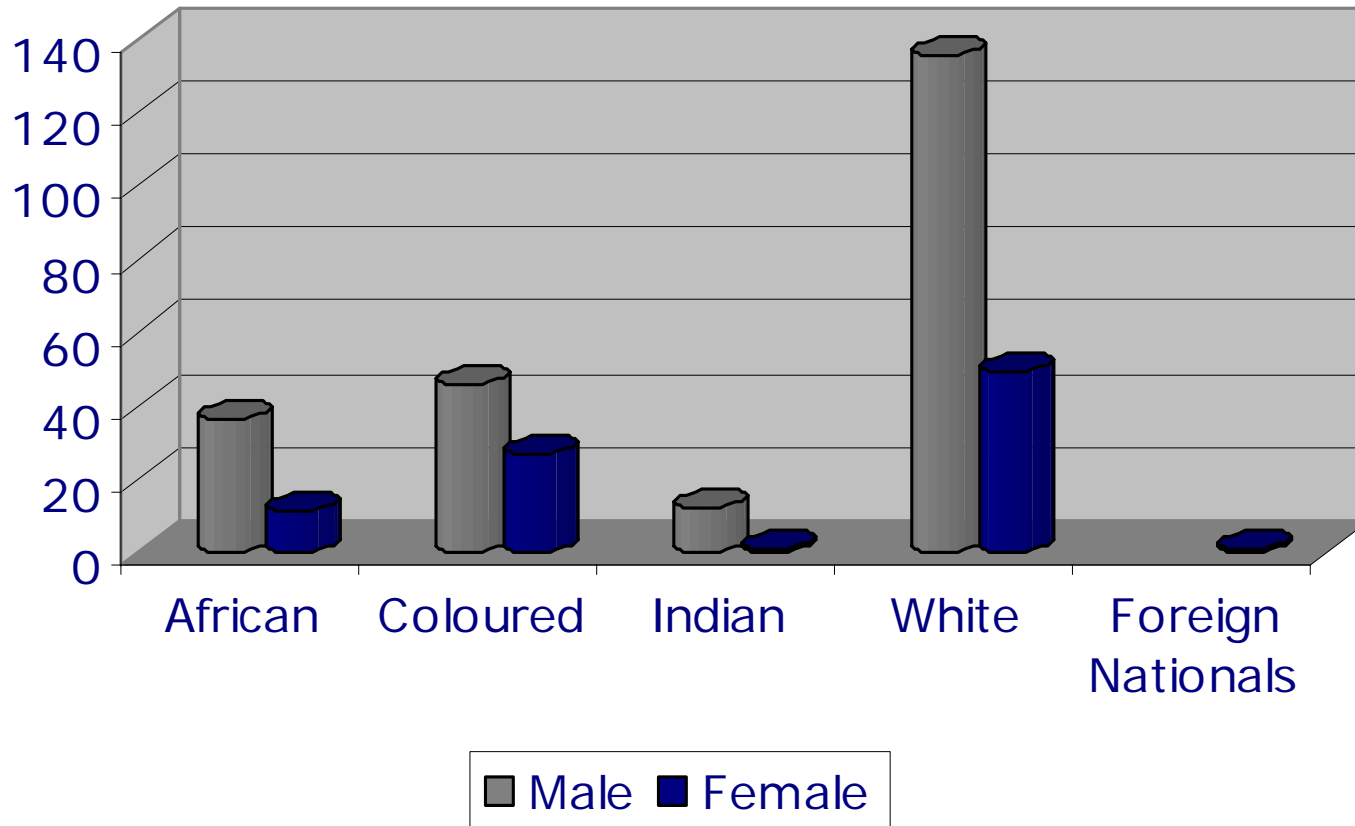


overview of ppecb human resources

- race & gender distribution
- transformation challenges & solutions
- agri export technologist programme
- corporate training recipients

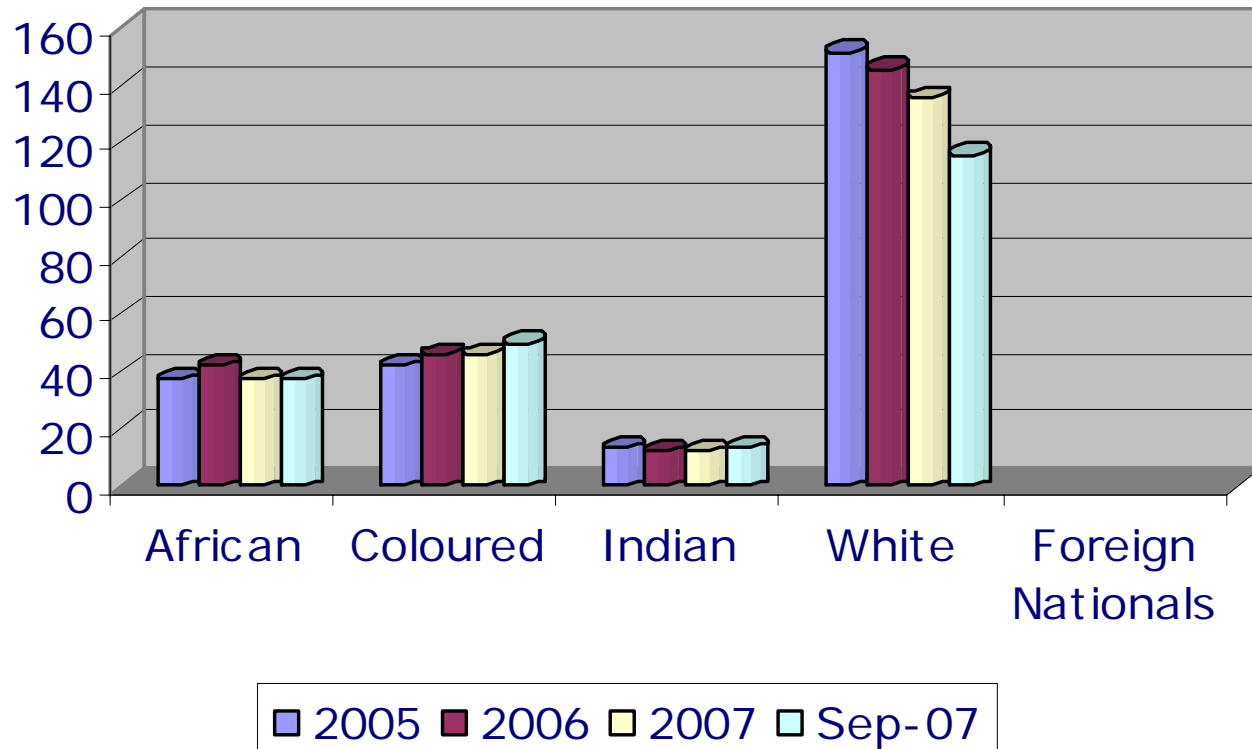
current status race & gender distribution march 07

Current Status



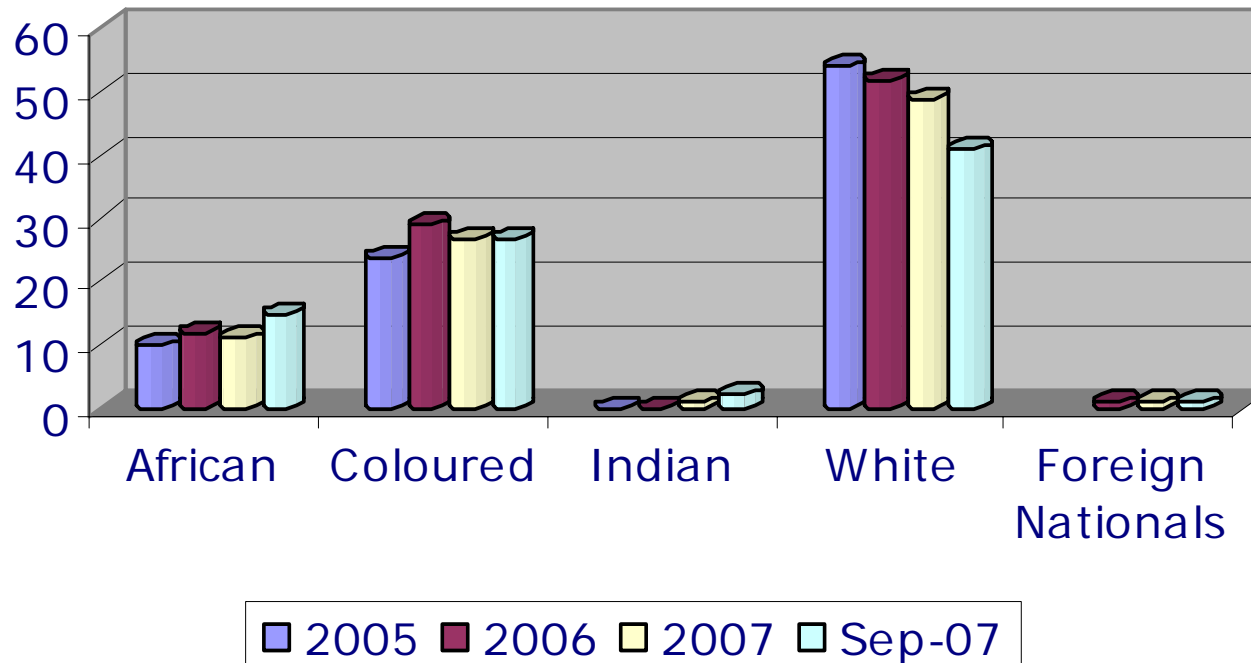
3-year trend of male employees

Males
Progression since 2005



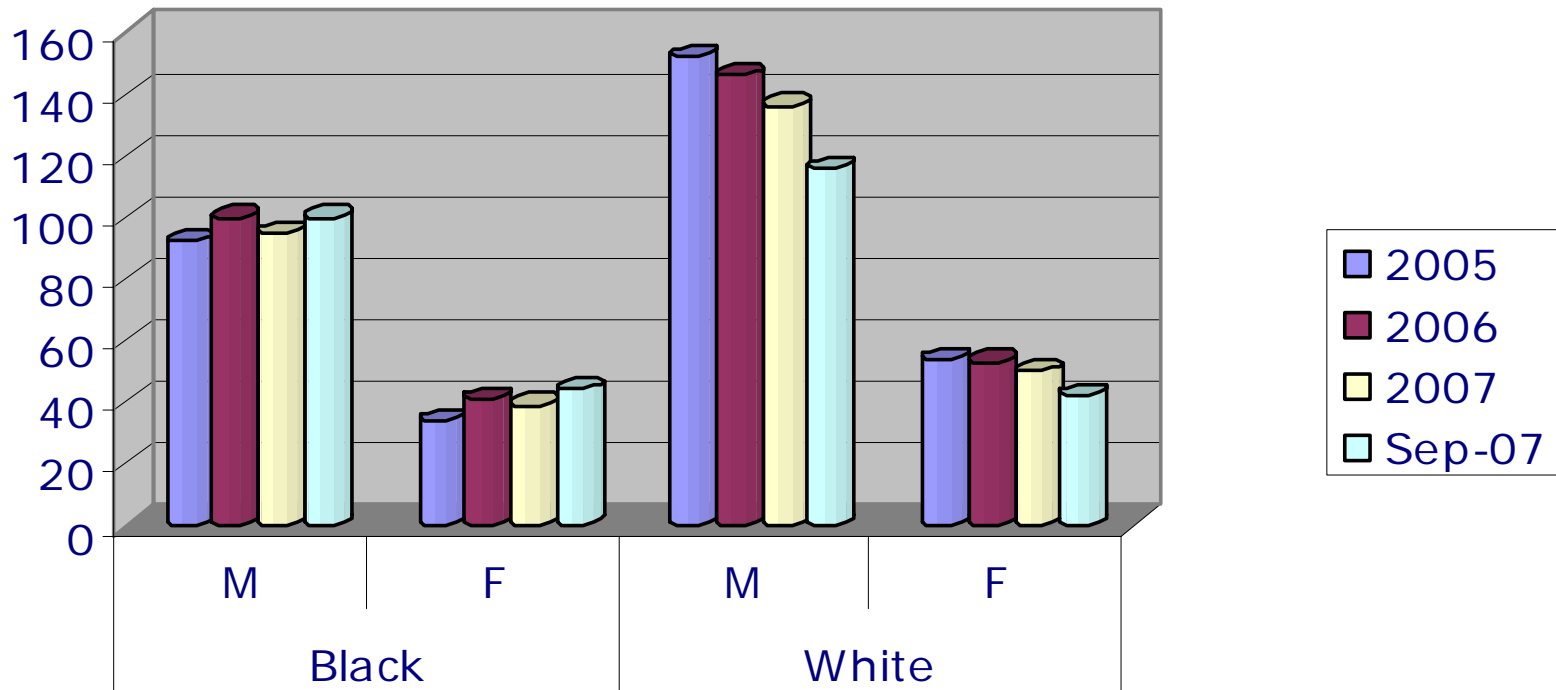
3-year trend of female employees

Females
Progression since 2005



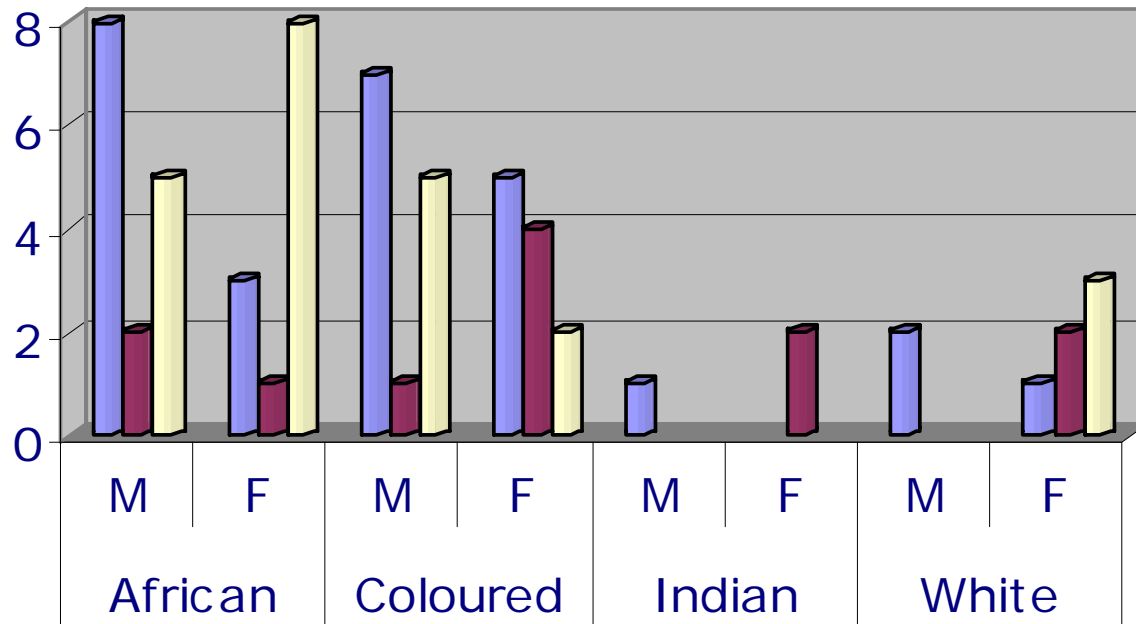
3-year trend of black & white employees

Demographic Progression since 2005



recruitment trend

Recruitment 2006 vs 2007



■ F 2005/06 ■ F 2006/07 ■ Mrch07-Sep07

transformation challenges

- a steady decline in white males leaving the organisation & a steady increase in blacks
- in F2006/07 there was a moratorium placed on new appointees
- current statistics added to indicate the growth in black representation (see recruitment trend march – sep 07)
- challenge is still to retain black assessors as they are recruited by the industry after 2 yrs successful training at ppecb
- 13% labour turnover for F2006/07

transformation solutions

- review of hr practices (grading system, remuneration structure, performance appraisals)
- **new- retention strategies:**
 - integrated succession planning
 - accelerated skills transfer programme
- new EE plan in progress
- ppecb agri export technologist programme

agri-technologist programme



- the agri tech programme intake of 100 learners over a 3 year period recruited 100% according to affirmative action principles

agri-technologist programme - *cont*

- average span 19–33 years affirming PPECBs' commitment to developing the youth hence committed to graduating learners on an accredited course to be received at end of 2007.
- the second year recruitment is in process with an anticipated intake of 36 students to be inducted in 2007 and graduated in 2008
- ppecb is committed to graduate 100 learners with an accredited qualification plus a specialization.
- together with department of agriculture, ppecb is rolling out an effective mentoring plan.
- learners are exposed to cutting edge thinking through innovation exposure





annual results for 2006-7



financial results against budget

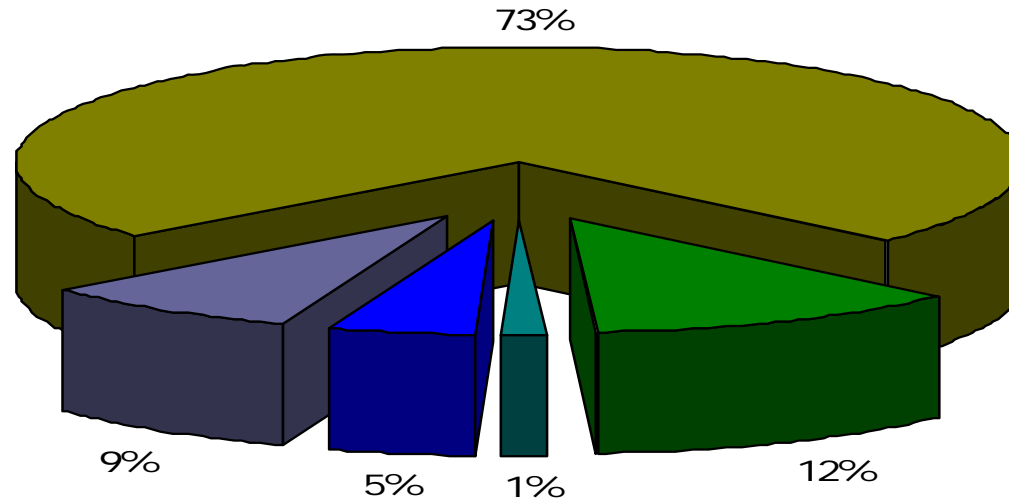
	Actual R'000	Budget R'000	%Δ
net surplus	R7 027	R337	
income	R103 917	R108 740	4%
expense	R96 889	R108 404	11%

budget variances

	RΔ	
volume variance	R5,7m	
other income variance	R0,9m	
expenditure saving	R11,5m	
budget variance	R6,7m	

expenditure components

2006-07



■ people ■ operational ■ training ■ computer ■ administrative

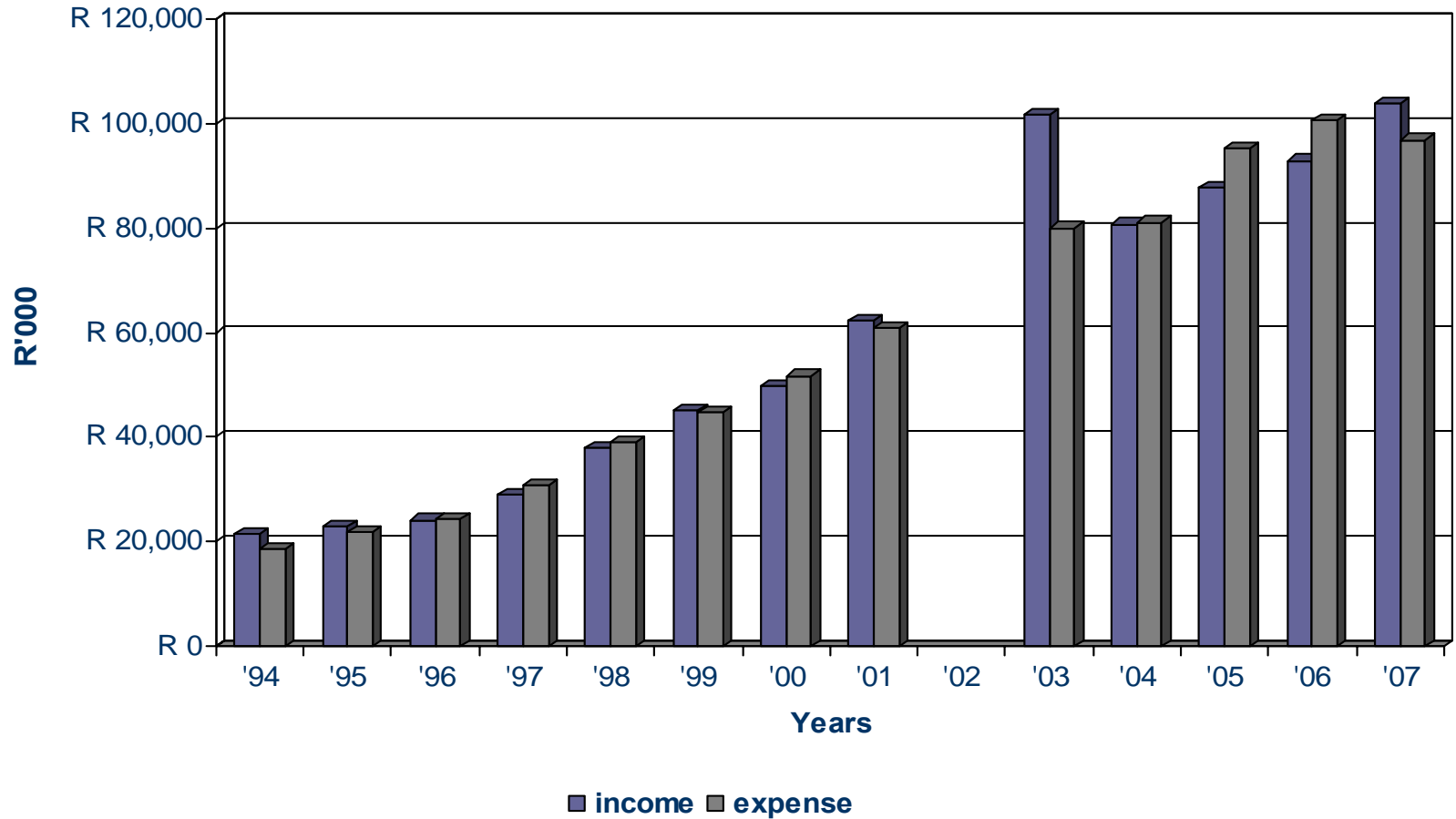
procurement programme

total procurement value	R38,9m
value of HDI supplies	R9,6m
HDI suppliers as % of total	25%

balance sheet

	Rm	RΔ	
reserves	R39 135m	R7 028m	↑
assets	R6 096m	R2 936m	↓
financial assets and cash	R38 694m	R11 302m	↑
receivables	R10 831m	R904m	↑
payables	R16 486m	R2 242m	↑

financial results

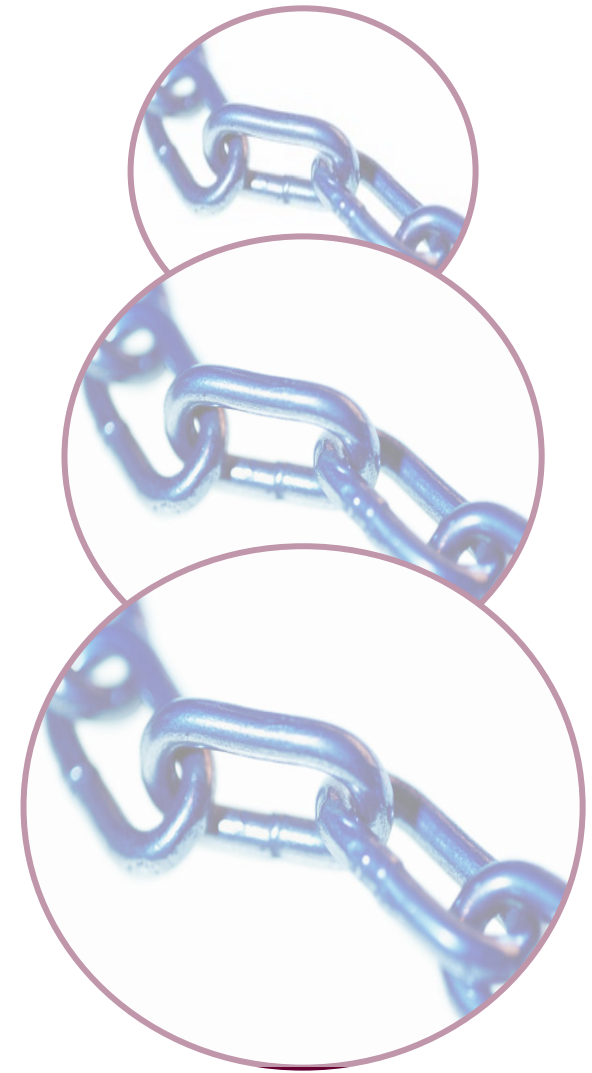



pfma reporting section 55

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audit report	Unqualified
safeguarding assets	R55 621m
losses	R453k

future prospects

- firm markets
- global oversupply
- weaker rand
- good market prices
- higher volume exports
- complicated/complex training environment





ppecb
creating world-wide confidence in
south african perishable export
products

