

STRATEGIC PLAN FOR THE FISCAL YEARS 2021 to 2026

22 FEBURARY 2021



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STATEMENT: CHAIRPERSON OF THE ACCOUNTING AUTHORITY

As a National Public Entity, the PPECB delivers mandatory Inspection, Cold Chain, Food Safety and Analytical Laboratory Services for the Perishable Produce Export Industry. The PPECB is thus deemed an essential service. Therefore, during both the first and second waves of the Corona Virus the PPECB has continued to function uninterrupted. All the necessary precautions were taken to protect our employees and clients but due to the nature of the work involved where our people were required to perform physical inspections a number of our employees did contract the virus.

Despite the foregoing, thanks to the resilience and perseverance shown by our highly dedicated staff the PPECB has been at the forefront of ensuring that South African perishable produce has still been exported. As President Cyril Ramaphosa stated in his State of the Nation Address – “In the midst of the economic damage caused by COVID-19, South Africa’s agricultural sector has performed remarkably well. In 2020, we became the world’s second-largest exporter of citrus, with strong export growth in wine, maize, nuts, deciduous fruit and sugar cane. The favourable weather conditions in 2020 and the beginning of 2021 mean that agriculture is likely to grow in the near term.”

The continuing COVID-19 pandemic has, around the world, increased the general populations awareness of the need for healthy food. This stands South Africa in good stead as a large exporter of healthy perishable produce. Not only is our produce in demand but there are opportunities to increase our production thereby creating much needed employment. All the while the PPECB plays an incredibly important role in guaranteeing the quality and safety of South Africa’s perishable produce.

President Cyril Ramaphosa has laid out the government’s main objectives for 2021 in his State of the Nation Address. These include dealing with the Covid-19 pandemic, accelerating economic recovery, creating jobs and inclusive economic growth. Fighting corruption and strengthening the state is another key objective. Land reform will be accelerated. South Africa has a tough road ahead but as we have shown before we are a resilient nation, and we will come back stronger.

As the global economy starts to recover after the pandemic the PPECB must be able to service its clients and move with the changing times. The PPECB will therefore concentrate on the following strategic focus areas:

- Improved client experience through seamless integration with PPECB systems (external). At the same time becoming more customer centric.
- 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 costs. Enhance data analytics and business intelligence capabilities.
- Improved business sustainability for black smallholder farmers and suppliers.

In support of the above the PPECB has tackled two ambitious strategic projects. The TITAN 2.0® objective is to enhance the credibility of the export certification process through digital integration and automation. Some of the benefits of TITAN 2.0® are: Real-time information, consignments inspected using TITAN 2.0® can be certified electronically for export. TITAN 2.0® can integrate with the Tracking Unit Register (TUR) and clients can apply for Electronic Phyto (ePhyto) via the TITAN 2.0® platform.

In addition to the continuous development on project TITAN 2.0®, the PPECB has initiated the introduction of an Enterprise Resource Planning (ERP) system to replace its legacy NAVISION system. The ERP seeks to create further process efficiencies and an enhanced customer experience. The introduction of the ERP is expected to take 18 months with major milestones to be achieved in Quarter 3 and 4 of 2021.

The Strategic Plan of the PPECB is reviewed on a regular basis by the Board and Executive Management to ensure that we remain on track to meet the objectives set. As South Africa's official certification agency for perishable export products, the PPECB's impartial and independent services significantly reduces risks for producers and exporters. Products approved for export carry the passed for export stamp, regarded as a symbol of quality assurance to clients and consumers around the world.

It remains for me to thank our dedicated employees once again for their unwavering commitment during these incredibly difficult times and in making sure that South African perishable produce is still sought after worldwide. Thanks also to the Board for their guidance and support in making our strategic plan a reality. The Board remains confident that the PPECB will continue to fulfil its mandate and grow from strength to strength.

A handwritten signature in black ink, appearing to read 'Garrett', with a stylized, cursive script.

Clive Garrett
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 2021 to 2026



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. 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.

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.

4.1. External Environment Analysis

The global economy is expected to grow at 4% during 2021 (World Bank, January 2021). This is, however, dependent on the global roll-out of the anticipated COVID-19 vaccine. Europe, South Africa's major trading partner for fresh fruit, is expected to grow at 3.6% in 2021, after a decline of nearly 7.4% 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%. Sub-Saharan Africa is set to grow at 2.7% in 2021.

Whilst the South African economy remains under severe pressure, prospects for 2021 remain positive and the economy is expected to grow at a healthy 3%. South African inflation was 3.3% for 2020 and 4% estimated for 2021.

The battling economy certainly had a negative effect on South Africa's unemployment figures for Quarter 3 of 2020, reported at 30.8%. This represents an increase in unemployment of 7.5%, up from 23.5% in Quarter 2 of 2020. The number of unemployed people increased by 2.2 million to 6.5 million. Employment increased in all sectors in Quarter 3 of 2020. Formal sector employment increased by 242 000 (2.4%); Informal sector employment by 176 000 (7.7%); Private households by 116 000 (11.5%), and employment in Agriculture increased by 9 000 (1.1%). Employment increased in all industries, except Utilities and Transport.

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 3-4 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 2020, South African perishable produce exports increased by 12.6% to 3.17 million tonnes to around 92 countries. Year on year growth on this front has been steady, except for 2016 and 2019 when export volumes were below anticipation due to the drought and market conditions. During

2020, citrus fruit exports soared to record highs of 145 million cartons (5% above expectation) exported until December 2020. This figure is expected to increase even further as new plantings come to fruition.

During 2020 deciduous fruit exports were down on expectation, with pome and stone fruit reported at 9% below expectation. In addition to the above, the impact of COVID-19 on global logistics and specifically the availability of refrigerated containers during the season remains a concern.

The 2020 avocado season was considered another “off year” for avocados resulting in total volumes of 10.3 million cartons inspected which was a staggering 20% lower compared to the 2019 season which was also an “off year”. The decrease in volumes is also attributed to the drought that was persistent in the Northern parts of the country. The outlook for avocados in 2021 is significantly better, with around 16 million cartons expected to be exported. This is mainly due to improved weather conditions and new plantings.

Maize exports on the other hand increased from 354,374 tons in 2019 to around 1.9 million tons in 2020. The growth in maize exports are expected to continue in 2021.

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



Higher volumes among major export commodities are visible for the period 01 April to 31 December 2020. This is especially the case for citrus and maize. For the period up to December 2020, 145 million cartons of citrus was inspected, 4% more than initially anticipated. The trend is expected to continue over the medium term due to new plantings and market forces. A total of 1.9 million tons of maize was exported as at 31 December 2020.

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 2021 season. The situation in the Western Cape was significantly better in 2020 as compared to 2019. At the time of writing this report, dam levels were already at 91% on average which is higher than 2019, when dam levels were reported at just above 82%. The Western Cape experienced an above normal rainfall season, with deciduous fruit volumes expected to normalise for the 2020/2021 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 2020. 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 2020, South Africa recorded six CBS interceptions in the EU, from 9 in the previous year. False Codling Moth (FCM) became a regulated pest in the EU 2018 and 14 interceptions were recorded in EU in 2020 which is lower compared to the 19 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 18% of fruit exported to this region during 2020, down from 21% in 2019. The reduced volumes can be directly attributed to the effects of COVID-19 resulting in reduced buying power in the region. Asia remains a market with huge potential for South African fruit and the importance of increased market access to this region cannot be overemphasised.

Europe is currently the main market for South African avocados but will not be able to absorb the additional avocado volumes in the 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 35 239 in 2018/2019 to 39 213 in 2019/2020. 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 was handed the mandate by Department of Agriculture, Forestry and Fisheries (DAFF now DALRRD) temporarily for 1 year to manage the phytosanitary programme for citrus exports to the EU. The mandate was then extended until the end of 2020 citrus season. The PPECB will once again actively pursue other opportunities to assist government in achieving its objectives.

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.

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 3 years, mainly due to new plantings. Citrus fruit exports alone have grown by 7.4% in 2020 when compared to 2019. The growth in 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.

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

4.2. 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 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. 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 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. 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 – 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.

Strategic Projects: TITAN 2.0[®] and ERP

An ambitious annual performance target of 80% for main products was set for the TITAN system. This KPI started the year with a baseline of 63% and ended at 56% (84 million cartons) as a saturation point was reached in terms of the number of packhouses adopting the TITAN platform as the implementation of TITAN 2.0[®] was imminent. TITAN was decommissioned on 31 August 2019. The second iteration of the platform, TITAN 2.0[®] was launched on 1 October 2019 with User Registration and Service Request and on 18 November 2019 the mobile inspection module went live.

The enhanced TITAN 2.0[®] application has been streamlined to be more effective and efficient. During the period 1 November 2019 to December 2020, 122 million cartons (54%) were inspected at 382 activity points with 901 activity points interfaced with this electronic platform. In April 2020 TITAN 2.0[®] took a significant step forward with the integration of the **Tracking Unit Register (TUR)**. TUR has been introduced by the Department of Agriculture, Land Reform and Rural Development

(DALRRD) as a central database in the official export certification system to store relevant data regarding tracking units. This will allow clients to send their tracking unit data (pallet information) to PPECB for quality inspection after they have added the tracking unit into the TUR. 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 December 2020 eight software vendors successfully integrated with this platform.

In December 2020 Cold Chain Electronic Bookings and a search function for temperature regimes (Schedule 1) will also be launched on the TITAN 2.0[®] platform.

The Orchard Inspection (OI) module of TITAN 2.0[®] went live in April 2019 which facilitated automated allocation of the Plant Quarantine Inspection (PQI) Report to the Phytclean platform instead of being manually uploaded. Enhancements for the OI module developed included off-line capability of the application, view of the orchard size to improve planning of resources and division of regions into sub-regions to improve the Chief Inspectors view of the Orchard Inspection bookings.

In addition to the continuous development on project TITAN 2.0[®], the PPECB has initiated the introduction of an Enterprise Resource Planning (ERP) system to replace its legacy NAVISION system. The ERP seeks to create further process efficiencies and an enhanced customer experience. The introduction of the ERP is expected to take 18 months with major milestones to be achieved in Quarter 3 and 4 of 2021. Supporting the PPECB's drive to digitisation and electronic certification, major services will be moved to the Cloud to improve access and decrease system downtime. Cloud migration has been initiated in November 2020 and completion is set for Quarter 1 in 2021.

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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