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THE FRUIT INDUSTRY



The South African fruit industry has an annual turnover of approximately R30-billion per year, and employs almost 300 000 people, whose families rely on their income from the fruit sector. To ensure sustainability and independent verification of compliance with legislation and trade requirements, SIZA, the Sustainability Initiative of South Africa, was initiated to demonstrate fair and compliant labour practice. SIZA is an online benchmark for producers to prove compliance with South African labour laws via 3rd party social ethical audits conducted by accredited audit bodies. Auditors regularly visit farms, addressing farmworkers independently of farm-owners, so that they can speak freely about labour practices on the farm.

THE DATA PLATFORM

SIZA membership is currently growing rapidly as guided by an effective and modern technology platform. At the end of 2015 we had a membership of 1272 members of which only 651 were active. At the end of April 2016 we had a membership of 1384 with 105 new registrations and 407 renewals over the last 4 months.

We finished the value chain development to provide visibility throughout the value chain to all role-players, including retailers, importers and exporters linked by producers. Of importance is that only registered SIZA members can be linked and have full visibility on the SIZA Platform.

We started to schedule audits online from the 1st of March 2016. Currently auditors are doing audits directly on the Platform while they are busy auditing on the farms. Growers must remember to schedule all audits via the Data Platform.



SIZA GOVERNANCE & OPERATIONAL CAPACITY

SIZA was registered as a free-standing legal entity (NPC) on 20th of April 2016. We are currently in the process of opening SIZA's own bank account and registering the company with SARS. Nigel Mudge was contracted to act as independent Chairperson of the SIZA Board. A newly constituted board consisting of suitably qualified individuals to represent different stakeholders and the new operational structure he announced, are in process of being implemented.

SIZA appointed extra capacity to help with the capturing of data on Sedex so that we can give visibility to those exporters and retailers who still require this for the UK market. This process will be completed not later than the 30th of June 2016.

AUDIT PROCESS/METHODOLOGY/REQUIREMENTS

SIZA is in the process of reviewing the documentation related to the Audit process and procedures, methodology and requirements. Updated Service level agreements which specify the requirements and specifications for Audit bodies, Auditors and Audit reviewers will be signed and agreed between SIZA and the accredited third party Audit bodies soon. An Audit Reference Group will be formed to review and measure the SIZA Audit policies, standard and methodology. The Audit Expert group who deals with audit disputes and differences is functional and operates effectively.

SIZA / WIETA JOINT AUDITS

Mixed farms requiring ethical audit requirements for BOTH fresh fruit or wine grapes. NSF Africa (on behalf of SIZA and WIETA) has been recognised as being able to do a joint WIETA and SIZA audit. Only mixed farms can qualify to have a joint audit done as from March 2016.

What is a mixed farm?

A farm that grows fresh fruit for export and supplies wine grapes to a winery or cellar that requires ethical certification for their wine export markets. But remember . . .

- ❖ Cellars must still be audited by WIETA.
- ❖ Pack houses must still be audited through a SIZA recognised audit body.

If you want SIZA to do your joint audit, you must request a WIETA recognised audit on the SIZA platform under "audit request". **Please take note that only NSF Africa auditors are recognised currently to audit on behalf of WIETA from the SIZA side.** Should you choose NSF Africa directly on the Platform to do your joint audit, you need to instruct NSF Africa that a WIETA audit report is also required. NSF Africa will then apply the WIETA Code of Conduct and WIETA Audit Process and Methodology to the audit execution on the day. The NSF auditor will be instructed to generate a SIZA report which will be uploaded on the SIZA data platform for you to complete your SIZA corrective actions on. In addition, the NSF auditor will also generate a WIETA report which will be sent to the WIETA office. WIETA will moderate this report and send this to you. You will then be required to submit an improvement plan with your corrective actions and its evidence to WIETA for review as well.

Should you have any further questions you can contact the following people:

WIETA: Andrea Bredell at admin@wieta.org.za or on 021 880 0580

SIZA: Retha Louw at retha@siza.co.za or 021 852 8184



CAPACITY BUILDING

SIZA received R400 400 from AgriSETA to roll out a Health & Safety Training programme in conjunction with Philani Training and Development Solutions.

R600 000 of the DOA Western Cape funding was allocated to Smallholder Development and compliance with the SIZA standard. This programme will include ETF training as well as pre-auditing so that we can assess the level of compliance to the SIZA standard and the labour law requirements for emerging table grape and deciduous fruit producers.

RECOGNITION BY BUYERS

Kaufland accepted the SIZA standard recently whilst Ahold and Waitrose confirmed that they are still happy to accept the SIZA standard as their benchmark. High level engagement with the retailers (international and domestic) have been scheduled as a high priority and will receive specific attention over the next 2-3 months.

CONFRONTING CLIMATE CHANGE – AN EASY CARBON FOOTPRINT CALCULATION

Industry Benchmark & Train-the-Trainer workshops will be hosted during the course of the year. The cost is again subsidized and it is especially important to attend the workshops again this year, even if you have in the past!

During the Industry Benchmark workshops, you will be trained on the new website and you will receive information on the new products and services that will be available during the coming months. The technical team will run through the carbon calculator tool in a step-by-step manner, and the audience will be guided through the process and will input their data into the data capture tool. Provided the necessary data is brought to the workshop, the carbon footprint can be completed during the 3-hour session and the results will be generated shortly thereafter.

The Train the Trainer workshops will be open to individuals within export companies, Department of Agriculture extension officers, industry association technical staff or interns/students who will be able to assist the growers within their region with the details of the CCC tool. During this workshops you will be trained on the carbon calculator tool in a step-by-step manner. You will be required to complete a competency test and after the correct completion of the test you will receive a competency certificate. For more information or to register please email emarie@bluenorth.co.za



WHY EXPORT COMPANIES SHOULD REGISTER ON THE SIZA DATA PLATFORM

SIZA aims through the platform, to give visibility throughout the value chain to retailers and exporters on their members. To achieve this objective all role players, need to be registered on the SIZA Platform.

Therefore, we encourage all exporters to register on the platform so that we can build the link from the producer to the retailer. Exporters need to register and get their growers to link them for visibility. Exporters thereafter need to link their retailers/buyers so that the entire chain can be visible on the platform on a need to know basis. This will also ensure that exporters get access to value chain information which are being sent regularly from the SIZA office.

Exporters who register with SIZA will benefit because the platform can assist them with:

- Being visible on the platform to producers and retailers without any effort. This can be a free marketing platform for you as an exporter because your name as an exporter will be visible to all the providers (members) on the SIZA Platform.
- Risk management in the supply base, allowing exporters to view suppliers' results on the data system and receive information from self-assessments and audit results, including:
 - Indicators of where and what the risks are (e.g.: sites, areas, types of non-compliances)
 - General profiles and trends of their supply base (monitoring risk, improvement)
- Automatic tracking of corrective actions after suppliers' audits with triggers / reminders sent to producers (and exporters) if non-conformances are not completed
- Being part of a South African-based industry initiative protects individual stakeholders by preventing arbitrary assurance initiatives being imposed in the future
- Building a value chain link so that exporters and retailers can have visibility on all the players in the value chain
- A data platform with a wealth of information and statistics which can assist the fruit industry to build credibility throughout the value chain.

How do you register:

Go to the SIZA website: www.siza.co.za and click on the button (register on the SIZA Platform) in the top right corner of the webpage.

The fee to register as an exporter (Level 3A) is only R 1750 (excl VAT) per annum. Exporters do not have to complete a SAQ, you only have to fill in your contact details. There are no effort or maintenance involved in SIZA membership. Please remember, as soon as you are registered and your profile is active, you have to request your producers (suppliers) to link you as an exporter on their profile. If you are registered on the Platform your name will appear on the Exporters list and you will be visible to all the producers who are members of SIZA.

If you as an exporter would like to have a training session or just a peak in what the Platform is capable of, please contact the SIZA office and we will arrange it accord to your availability. Individual training is also possible but that will cost the export company an hourly fee.

Confidentiality to you as an Exporter:

The information on the platform is confidential and it will not be possible for any role players outside your specific link between the grower and yourself as an exporter to have any visibility as to who are part of your specific chain. Only you can see your own relevant information.

GENERAL ENQUIRIES:

SIZA * Lynn Taute * info@siza.co.za * Tel 086 1111 568

Sedex * Natalie Thomas * enquiries@siza.co.za * Tel 086 1111 568

