

THE FRUIT INDUSTRY

The South African fruit industry has an annual turnover of approximately R30 billion 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, the Sustainability Initiative of South Africa (SIZA) 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 farm workers independently of farm owners, so 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, SIZA had a membership of 1 272 of which only 651 were active. At the end of April 2016, SIZA had a membership of 1 384 with 105 new registrations and 407 renewals over the last four months.

SIZA finished the value chain development to provide visibility throughout the value chain to all role-players, including retailers, importers and exporters linked by producers. It should be noted that only registered SIZA members can be linked and have full visibility on the SIZA platform.

SIZA 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 AND OPERATIONAL CAPACITY

SIZA was registered as a stand-alone legal entity (NPC) on 20 April 2016.

SIZA is currently in the process of opening its 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 are in the process of being implemented.

SIZA has appointed extra capacity to help with the capturing of data on Sedex so that those exporters and retailers who still require visibility for the UK market, still apply to it. This process was completed by 30 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. 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 require ethical audits require for both fresh fruit and 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. A mixed farm 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 and pack houses must still be audited through a SIZA recognised audit body.

If you require SIZA to do a joint audit, you must request a WIETA recognised audit on the SIZA platform under "audit request". Please note that only NSF Africa auditors are currently recognised to audit on behalf of WIETA from the SIZA side. Should you choose NSF Africa directly on the platform to do a 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 generate a WIETA report which will be sent to the WIETA office. WIETA will moderate the report and send it 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.

For any further questions, please contact Andrea Bredell at admin@wieta.org.za or on 021 880 0580. To contact 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 and 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 engagements with retailers (international and domestic) have been scheduled as a high priority and will receive specific attention in the near future.

CONFRONTING CLIMATE CHANGE – AN EASY CARBON FOOTPRINT CALCULATION



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

During the Industry Benchmark workshops, participants will be trained on the new website and 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 these workshops, participants will be trained about the carbon calculator tool in a step-by-step manner. They will be required to complete a competency test and after the correct completion of the test they 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

Through the platform, SIZA aims 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.

SIZA needs all exporters to register on the platform so that a link can be built from the farm (grower) to the retailer. Exporters who are registered should have their growers link them for visibility. Exporters thereafter need to link their retailers/buyers so that the entire chain can be built and be visible on the platform. This will also give the exporter easy access to value chain information which SIZA can send from their office regularly.

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

- being visible on the platform to growers and retailers without any effort. This can be a free marketing platform for an exporter because the exporter's name will be visible to all the growers and retailers (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 and 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 TO 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 R1 750 (excl. VAT) per annum. Exporters do not have to complete an SAQ, they only have to fill in contact details. There is 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 growers (suppliers) to link you as an exporter to their profile. If you are registered on the platform, your name will appear on the exporters list and you will be visible to all SIZA members.

Exporters who would like to have a training session or just a peek at what the platform is capable of, may contact the SIZA office and they will arrange it according to the exporter's availability. Individual training is also possible but that will cost the export company an hourly fee.

CONFIDENTIALITY TO THE EXPORTER

The information on the platform is confidential and it will not be available to any role players outside your specific link.

GENERAL ENQUIRIES

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

Sedex: Natalie Thomas - enquiries@siza.co.za - Tel 086 1111 568. ♦