



Driving a sustainable and competitive industry

**Raisins SA & SATI
Producer Information day**

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1 August 2023

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The image features a blurred background of a vineyard with a green horizontal band across the middle. The text "1. OUR VISION" is centered in white on the green band.

1. OUR VISION

1. OUR VISION



Vision:

“A sustainable and competitive South African raisin industry.”

Where Raisins SA plays a role:

Raw material security

$$NFI = (P \times Q \times q) - (Q \times VC) - FC$$

* *NFI = Net Farm Income*



The image features a blurred background of a vineyard under a bright sky. A solid green horizontal band is positioned across the middle of the frame. Centered within this band is the text "2. WHAT WE DO" in a white, bold, sans-serif font. Below the green band, the foreground shows a close-up of vibrant green grape leaves and clusters of small, yellowish-green grape bunches, some in sharp focus and others blurred.

2. WHAT WE DO

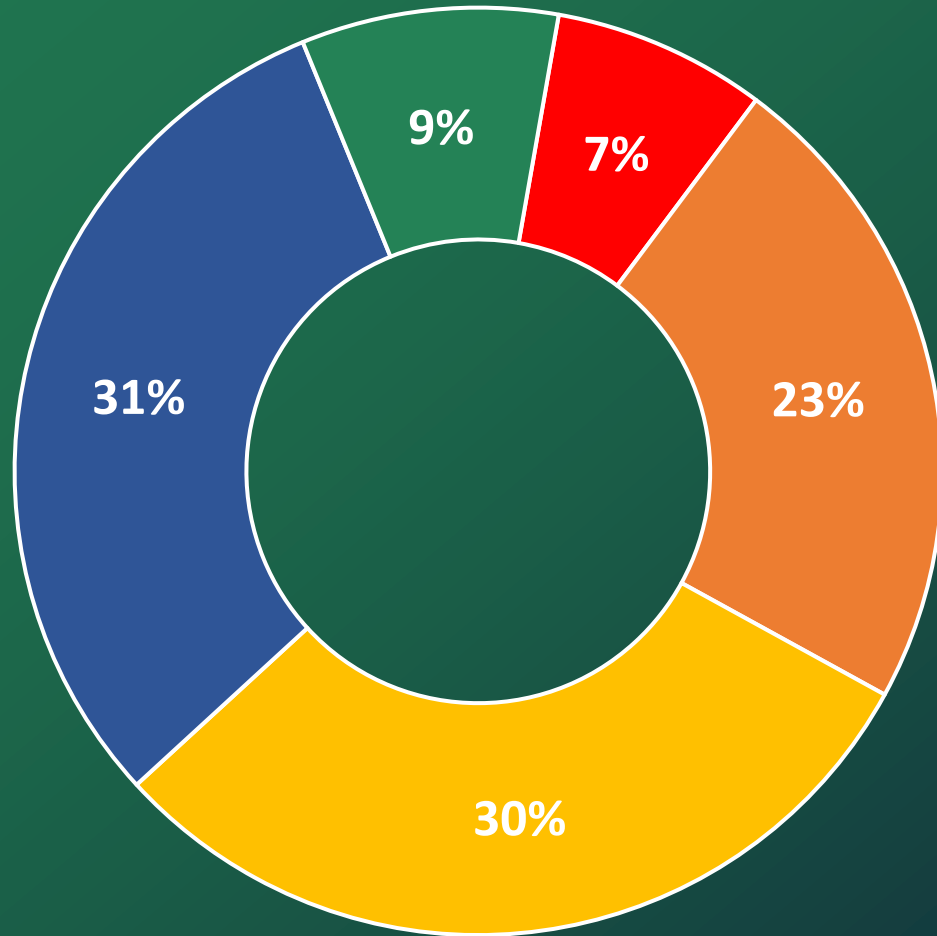
WHAT WE DO



2. WHAT WE DO

5 Key Performance Areas [KPA's]

Chart Title



Administration [KPA1]

Research and development [KPA3]

Market access, intelligence and development [KPA2]

Transformation [KPA5]

Information & Communication [KPA4]

2. WHAT WE DO

South Africa raisin industry – value chain focus areas

5



The image features a blurred background of a vineyard with a green horizontal band across the middle. The text is centered within this band.

3. PRODUCTION DRIVEN ACTIVITIES

3.1. PLANT IMPROVEMENT

Start clean, end clean

A strong start

The physical and physiological characteristics of nursery trees.
By Grethe Bestbier

How you start something often affects

how you finish it, and the importance of a strong start cannot be overstated. In the same way, the physical and physiological characteristics of nursery trees play a significant role in how well the trees establish themselves. Knowing what to look for when buying young trees can mean the difference between the success and the failure of an orchard.

Why do nursery tree characteristics matter?

"The planting of an orchard is one of the largest investments a producer will make," says Prof. Wihann Steyn, assistant general manager at Hortgro Science. "Nursery trees are costly, especially when you plant a trademarked cultivar and rootstock at a high density. It is also a long-term investment. Depending on the cultivar, an orchard is planted to last for 20 years, more or less."

If your orchard doesn't perform as it should in the first two years, there is a risk that it will never be profitable. Nursery tree quality is therefore of the utmost importance.

"If you plant a tree and manage it correctly, you expect a certain height increase, and the development of a number of shoots to fill the space in the rows, if you plant at high density," says Prof. Karen Theron, Hortgro Chair in Applied Preharvest Deciduous Fruit Research in the Department of Horticultural Science at Stellenbosch University.

"However, you will often find that a tree that grows poorly from the start, remains weak indefinitely. Even if you add extra nutrition, spray the leaves and approach consultants for advice, it could be too late. You might have to remove the trees entirely and start over."

To ensure nursery trees of good quality, it is important to understand their physical and physiological characteristics. Theron explains that physical

characteristics refer to the appearance of the trees, including size, root system and graft unions, while physiological characteristics refer to the tree's internal functions and processes.

What you see: physical quality

The physical quality of nursery trees plays a huge role in how successfully trees establish. One important physical characteristic is the ratio between shoots and roots.

"There is a correlation between what happens above ground and below ground," explains Steyn. "Hormones cross talk, so the shoots and roots are in communication about how their growth is faring. For every circumstance, the tree tries to establish a balance between shoot and root growth."

Nursery trees are typically planted densely and pushed to grow under ideal conditions, leading to more shoot than root growth. After being transplanted to an orchard, the tree will first aim to re-establish a balance in its new environment, generally favouring root growth at the expense of shoot growth.

This disproportionality between shoot volume and root volume cannot always be avoided, but nurserymen and producers can improve matters by preserving as much as possible of the root system, and ensuring correct soil preparation and irrigation. Producing trees in bags is another option for reducing transplant shock due to root disturbance.

Besides the quality of the root system, tree size also matters. Larger trees tend to display more total new shoot growth, and to fill their allotted space earlier. Unfortunately, large trees often suffer more transplant shock due to a higher shoot to root ratio and relatively greater root loss during lifting.

"Studies show that smaller trees often don't

catch up with larger trees for the entirety of their lifespan," says Steyn. "When planting, you want your trees to start carrying fruit as soon as possible. If you plant a tree that is almost fully grown, it can expand sideways and put on fruit. On the other hand, the first year after a too-small tree is planted is ultimately lost, since it first has to catch up size-wise."

Length is not the only important factor. Stone fruit grower and technical adviser, Petru du Plessis, says that he would rather plant a thick tree that's been properly hardened off than a long, thin tree with inadequate reserves.

"A tree that grows poorly from the start, remains weak indefinitely."

It is also important that the shank of the rootstock is long enough so that the grower can plant the tree at sufficient depth without running the risk of scion rooting. Grafting too low can be a problem with trees derived from tissue culture.

Hidden characteristics: tree physiology

As active shoot growth comes to an end in autumn, nursery trees enter the

paradormancy phase of development. During this initial resting phase, the tree not only develops the terminal and lateral buds, but also hardens off in preparation for winter and the entrance into endodormancy, or true dormancy.

"What this effectively means is that the tree needs a long enough period where it does not actively grow in terms of elongation visible to the eye, and where the leaves are still attached, for proper bud development and reserve build-up," explains Theron. "So, what the nurseryman does is remove some, but not too much, nitrogen and water from the tree, to strain it a little."

According to Theron, correct timing matters. For a tree to build up enough reserves and ensure good bud quality, it needs to spend between six and seven weeks in paradormancy. Trees also harden off during paradormancy to protect them from stress factors such as moisture loss during endodormancy. From paradormancy, the tree sheds its leaves and moves into endodormancy.

A too-short paradormancy phase caused by the tree's continued growth prevents trees from properly hardening off before they are lifted. Dormancy can also be disrupted by premature defoliation, leading to the loss of a large portion of important reserves and poorer bud break and growth after planting irrespective of the amount of chilling received.

Nurserymen are often under pressure to produce the largest possible tree and, as we've seen, size does matter. But nursery tree quality is about more than just size. It's also about producing a tree that is physically and physiologically prepared for life in an orchard. ||||



3.1. PLANT IMPROVEMENT

Start clean, end clean

Industry	Ha	Production value p/ha	Gross Output (Rand)
Raisins	16,000	143,000	2,288,000,000
Table Grapes	20,000	350,000	7,000,000,000
TOTAL	36,000		9,288,000,000

**Plant Improvement:
Increase Scheme / Best
Practices**

Efficiency gains

1.0%	92,880,000
2.5%	232,200,000
5.0%	464,400,000
10.0%	928,800,000

3.2. PLANT IMPROVEMENT

Transition 2017-2023



plantsa

PLANTVERBETERING SUID-AFRIKA
PLANT IMPROVEMENT SOUTH AFRICA



wvv | via

WINGERDVERBETERINGSVERENIGING
WINE IMPROVEMENT ASSOCIATION

Raisins
South Africa



2004-2017

**ALL MOTHER BLOCKS REQUIRED TO FOLLOW
PLANT IMPROVEMENT BEST PRACTICES**



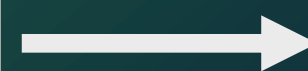
2021

**PRE-REQUISITE TEST SELMA PETE FOR
“LEAFROLL VIRUS”**



2022

**RAISINS SA / SATI & SA WINE HAVE MORE
PROMINENT ‘VOICE’ ON BEHALF OF
GROWER**



2023/24

3.3. CULTIVARS

Drive for improved technology

Four new cultivars in the pipeline

- G4-220
- G4-4040
- G3-5315
- G6-5853 (disease resistant)

Key Characteristics:

- High constant yield;
- Good quality;
- Growth and fertility balanced;
- Ability to produce goldens.





Vine Academy
AND MODEL FARM

Raisins
South Africa



SATI
SOUTH AFRICAN TABLE
GRAPE INDUSTRY

3.4. VINE ACADEMY AND MODEL FARM

Drive for improved productivity & technology

1

To address human resource capabilities and skill gaps, which are key constraints to the agricultural sector and specifically the vine fruit industry.

2

To expand and enrich the Research and Development capabilities of the South African viticulture industry.

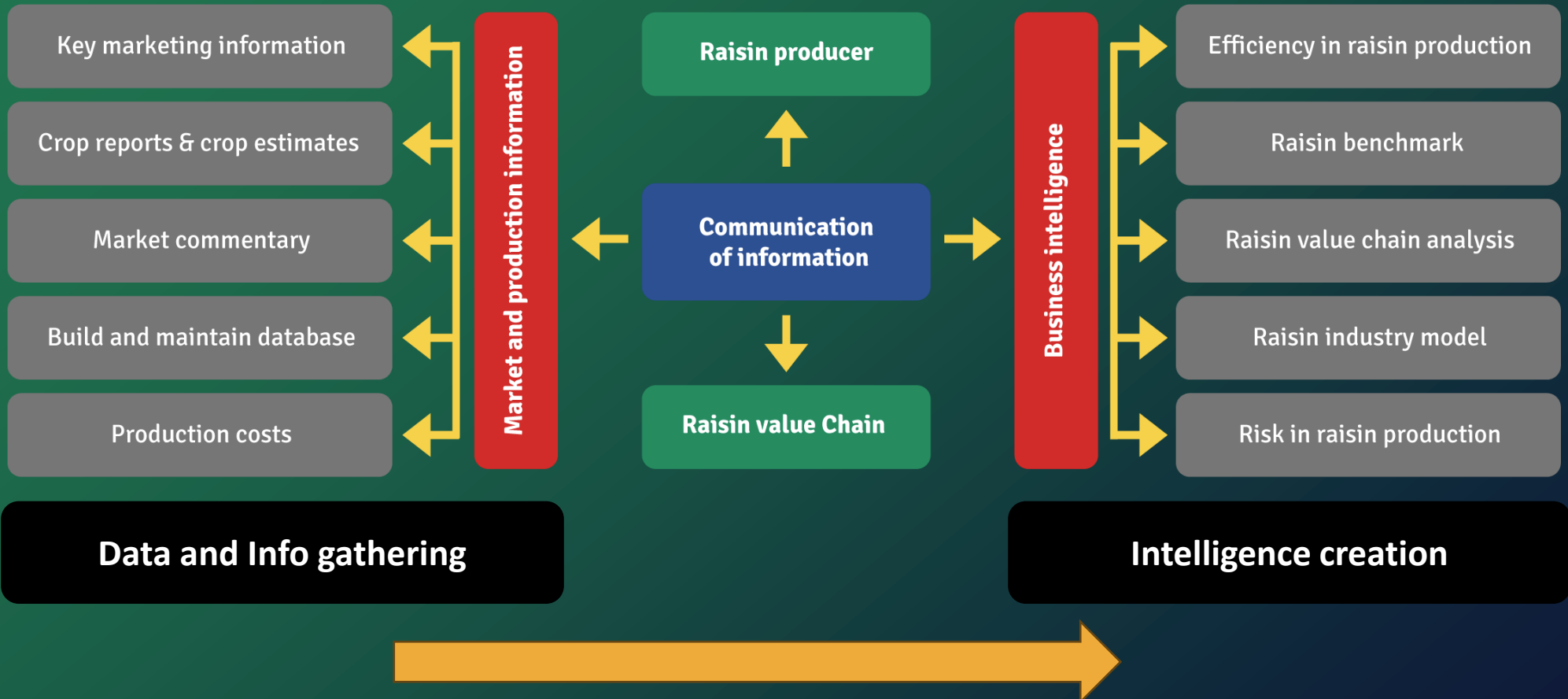


4. MARKET DRIVEN ACTIVITIES



4.1. MARKET INTELLIGENCE

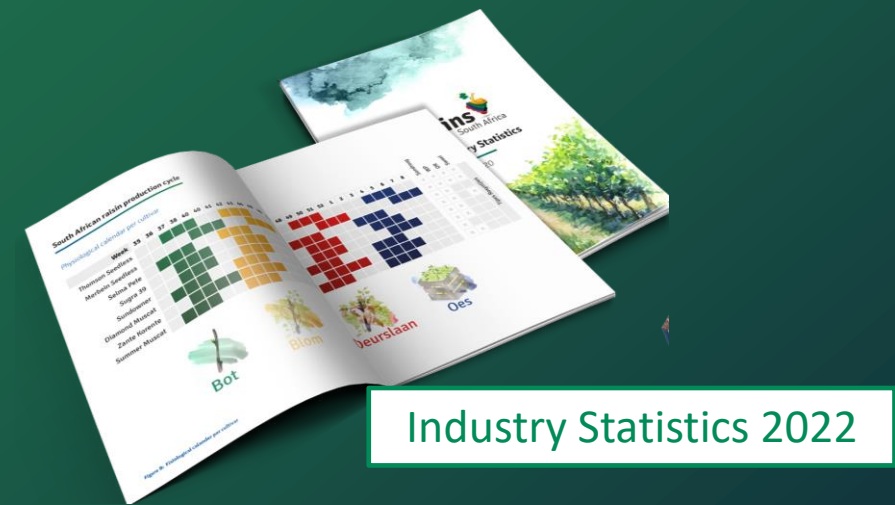
Raisin information services



4.1. MARKET INTELLIGENCE



Cost Guide 2023



Industry Statistics 2022

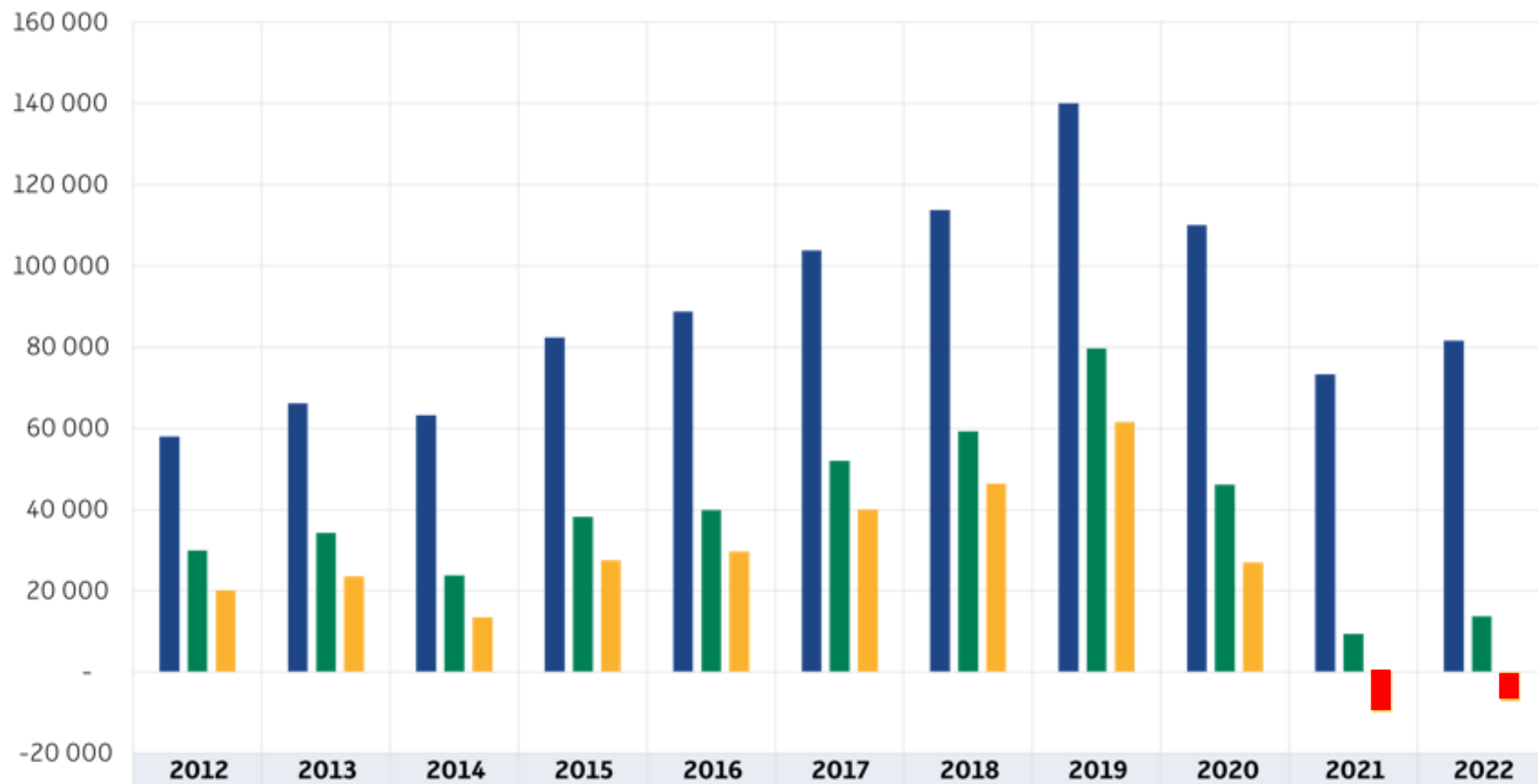


Market Reports 2022



Crop Forecasts, Weekly Intake Reports

4.2. INDUSTRY BENCHMARKING



■ Inkomste	57 957	66 160	63 168	82 321	88 709	103 743	113 709	140 099	110 047	73 357	81 539
■ Bruto Marge	29 915	34 253	23 751	38 229	39 847	52 012	59 226	79 651	46 134	9 438	13 678
■ NBI	20 060	23 583	13 522	27 542	29 606	39 970	46 319	61 517	26 960	-9 738	-7 138

4.3. IDC FLOOD RELIEF SCHEME



(1) Current scheme

- Fund = R220m for Orange River Valley
- IDC risk share 50%
- 0% interest
- Repayment period, 24 months

(2) In discussion

- Reallocate funds, approx. R30m
- Extend repayment period from 24 to 48 months
- NEW vineyard recapitalisation scheme – risk sharing banks

4.4. MARKET ACCESS

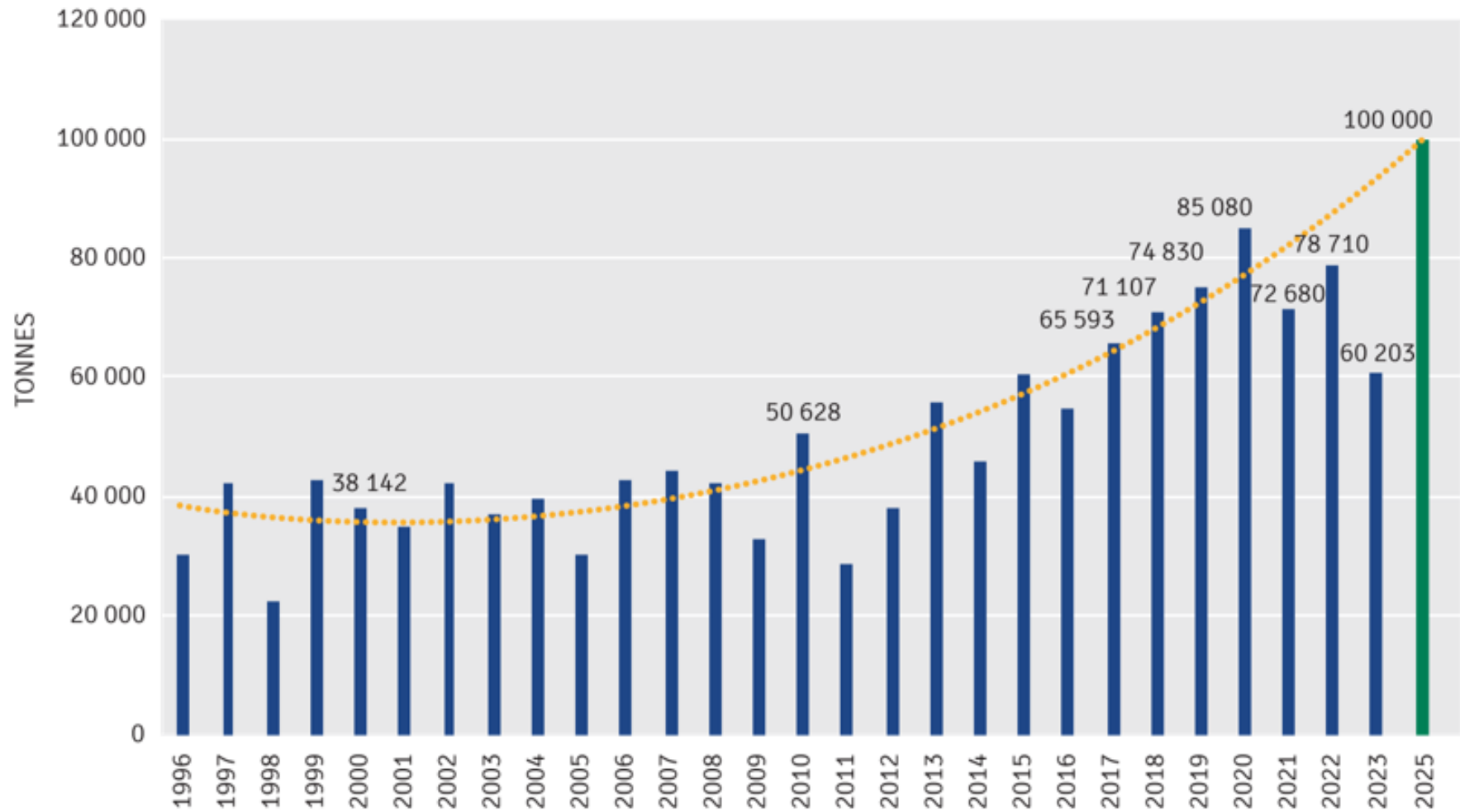
US MARKET ACCESS CHALLENGES

Exports by top 12 countries - Mass (kg)				
Country	2021	2022	2023	Diff. (previous vs current)
Algeria	1 183K	2 571K	3 118K	21%
Australia	418K	569K	208K	-63%
Canada	2 318K	2 266K	1 672K	-26%
Denmark	670K	657K	449K	-32%
France	957K	1 191K	1 492K	25%
Germany	11 582K	7 506K	7 099K	-5%
Netherlands (the)	1 813K	1 999K	3 010K	51%
South Africa	4 245K	4 509K	4 057K	-10%
Spain	475K	383K	324K	-16%
United Arab Emirates (the)	230K	252K	344K	37%
United Kingdom and Northern Ireland	3 409K	2 010K	1 337K	-33%
United States of America	1 518K	3 922K	4 948K	26%

CONTAINERS EXPORTED (NUMBER)	CONTAINERS REJECTED (NUMBER)	PERCENTAGE REJECTED (%)	REASON FOR REJECTIONS (NUMBERS OF CONTAINERS)		
			QUALITY	FOOD SAFETY	PHYTOSANITARY
321	38	12%	26	12	0

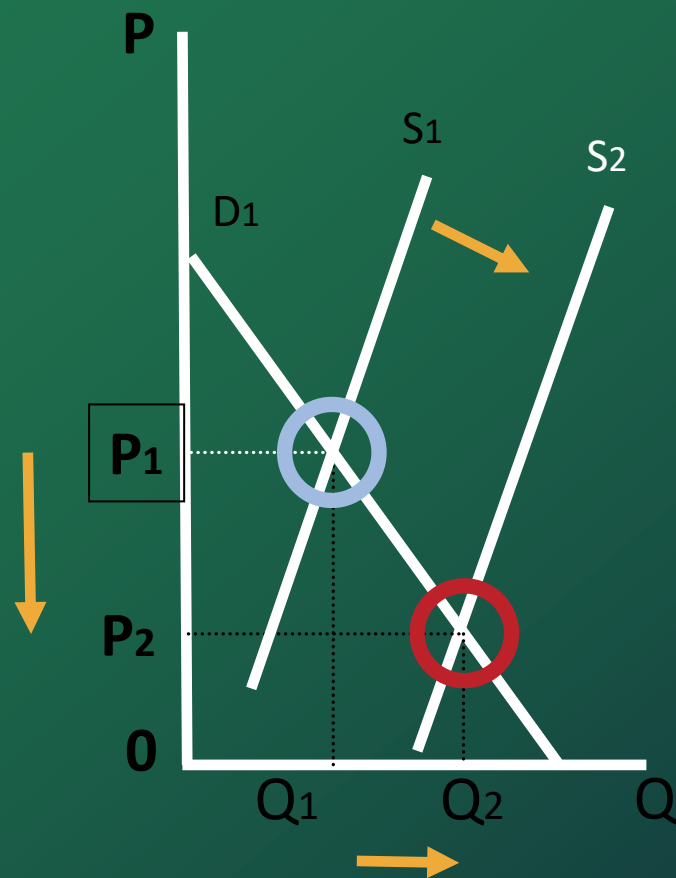
SOUTH AFRICAN RAISINS

Growth in production (1996-2023)



4.5. MARKET DEVELOPMENT

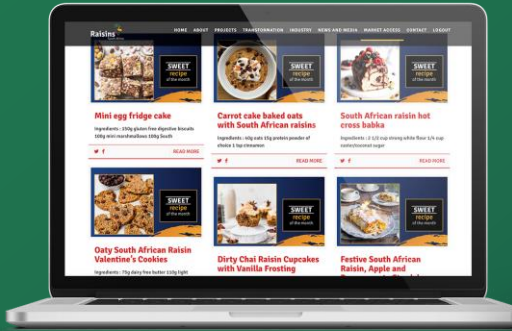
Supply and demand: change in quantity supplied



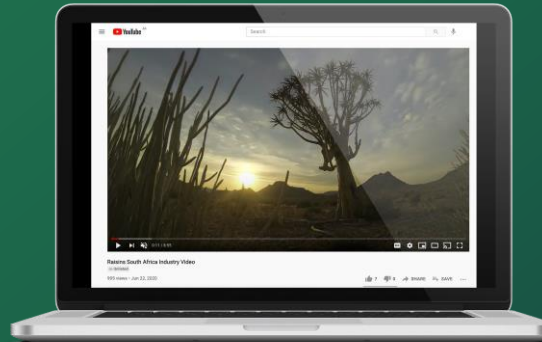
- **Productivity gains**

- ✓ New Cultivar e.g. Selma Pete, Sugra39
- ✓ Improved practices)
- ✓ Better pest & disease management
- ✓ Movement in hectares planted
- ✓ Irrigation

4.5. MARKET DEVELOPMENT



SAM LINSELL RECIPES



PROMOTIONAL VIDEOS



WEBSITE



'BRANDING' OF TRUCKS



100 YEAR CELEBRATION

4.5. MARKET DEVELOPMENT

Trademark in review



THOMPSON SEEDLESS



Dark brown to black, evenly colored, free flowing seedless dried grapes with a high natural sugar content and a characteristic, strong caramelised sweet flavor from being naturally dried in direct sunlight.



GOLDEN SULTANA

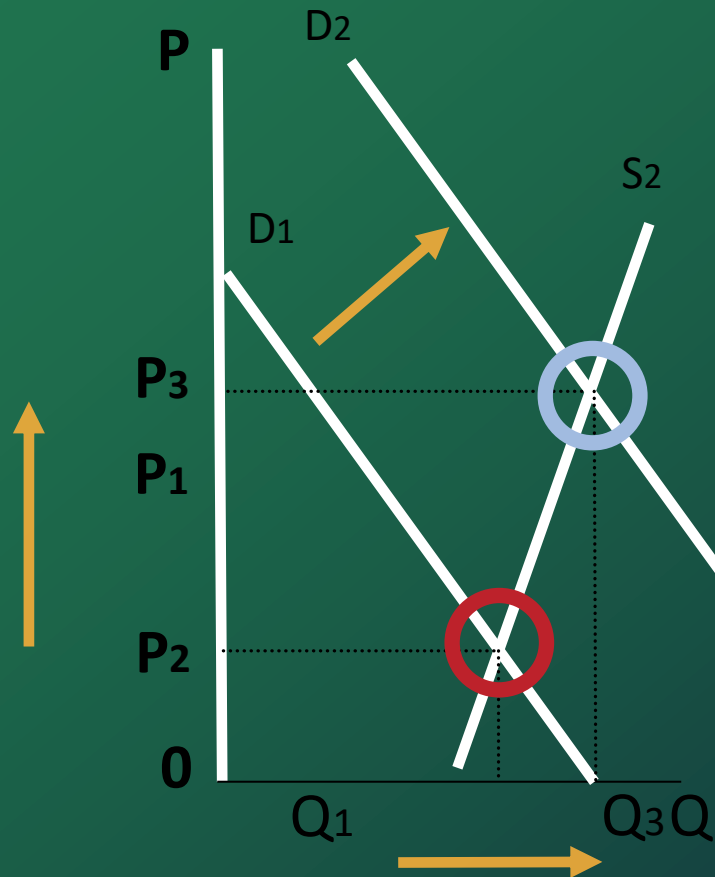


Light yellow to deep gold, free flowing seedless dried grapes with a high sugar content and strong sweet flavor, sulphured and naturally wind dried out of direct sunlight. Contains allergen - sulphur dioxide.



4.5. MARKET DEVELOPMENT

Supply and demand: change in demand



- **Stimulate demand**

- ✓ Change demand patterns

- ✓ Image of SA Raisins)

- ✓ Segmentation of market

- ✓ Producing the right products

Thank you.

