

# AGRICULTURAL PRODUCE AGENTS COUNCIL

## Business Plan

2019/2020





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Business

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REPORT IN TERMS OF SECTION 11 (5A) OF THE AGRICULTURAL PRODUCE AGENTS COUNCIL ACT, ACT 12 OF 1992

BUSINESS PLAN OF THE FORTHCOMING FINANCIAL YEAR CONTAINING DETAILS ABOUT TRAINING, PROMOTIONAL AND OTHER ACTIVITIES COUNCIL WILL UNDERTAKE DURING THE YEAR





## Business Plan 2019/2020

# Contents

01	Objective, vision, mission and core values of the Agricultural Produce Agents Council	6
02	Executive Summary	8
03	Detailed strategic objectives for 2019/2020	10
04	Appendices	14
05	Contact information	22



## Business Plan 2019/2020

# 01 Objective, Vision, Mission and Core Values of the Agricultural Produce Agents Council

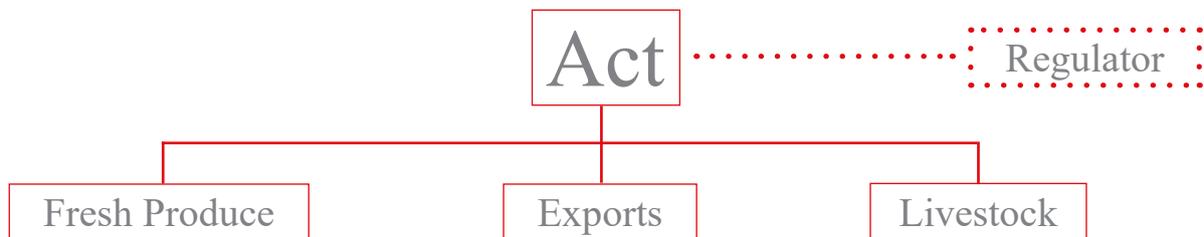
## OUR OBJECTIVE

The objective of the Agricultural Produce Agents Council is to regulate the occupations of fresh produce, export and livestock agents and to maintain and enhance the status and dignity of those occupations and the integrity of those practising those occupations, according to section 9 of the Agricultural Produce Agents Act (APA Act), 12 of 1992.

## OUR VISION

To be an innovative, supportive, proactive and responsive regulatory body.

## OUR MISSION



To effectively and efficiently regulate the occupations of fresh produce, export and livestock agents to:

- Fulfil our mandate under the Act.
- Protect against dishonest practices.
- Uphold our responsibility to maintain and enhance the occupations of fresh produce, export and livestock agents.
- Position APAC to effectively contribute to the development and transformation of the agency system of trading of agricultural product.

## OUR CORE VALUES

- Fairness: We will act with objectivity, empathy, integrity, prudence and transparency.
- Attitude: We will be an ambitious, professional, passionate, supportive, reliable and dedicated workforce.
- Drive: We will be driven to deliver our objectives defined by the Act.
- Flexibility: We will remain open to change and innovation.



Business Plan 2019/2020

02

Executive summary

## EXECUTIVE SUMMARY

The Agricultural Produce Agents Council (APAC) is a statutory body whose primary reason for existence is found within the Agricultural Produce Agents Act, Act 12 of 1992, which is to regulate and control certain activities of fresh produce, export and livestock agents. Furthermore, APAC also has a responsibility to maintain and enhance the agent occupation.

APAC's work is subject to various factors within its internal and external environment, which are mainly the demands of the industry it was created to serve. As the economic outlook for South Africa will remain challenging for the foreseeable future, it is important that APAC takes stock of its achievements and shortcomings.

On 22 January 2019, we held a workshop to prioritise our strategic objectives for the next three years. The workshop followed a systematic process to evaluate our current status, our role players, the rules of the game and, with the aid of a SWOT analysis, determine the opportunities for the future. Council reiterated that APAC's core mandate remains to effectively regulate the agent occupation, trading annually in excess of R100 billion, taking into consideration limitations which we hope to resolve in the future.

## OVERVIEW OF STRATEGIC OBJECTIVES FOR 2019/2020

The following strategic objectives were identified to ensure that APAC remains an effective regulatory body:

1. Continue with existing regulatory activities
2. Consider aspects that are required in the Act that can be amended by the rules.
3. Representation of exporters on the Council to meet with the exporters' forum to consider current needs and rules.
4. APAC must ensure a level playing field- especially for new entrants (agencies) in line with the relevant regulations.
5. Expand and grow the APAC plan. (Review and expand the awareness and communication strategy, specifically to producers, plus unorganised groupings).



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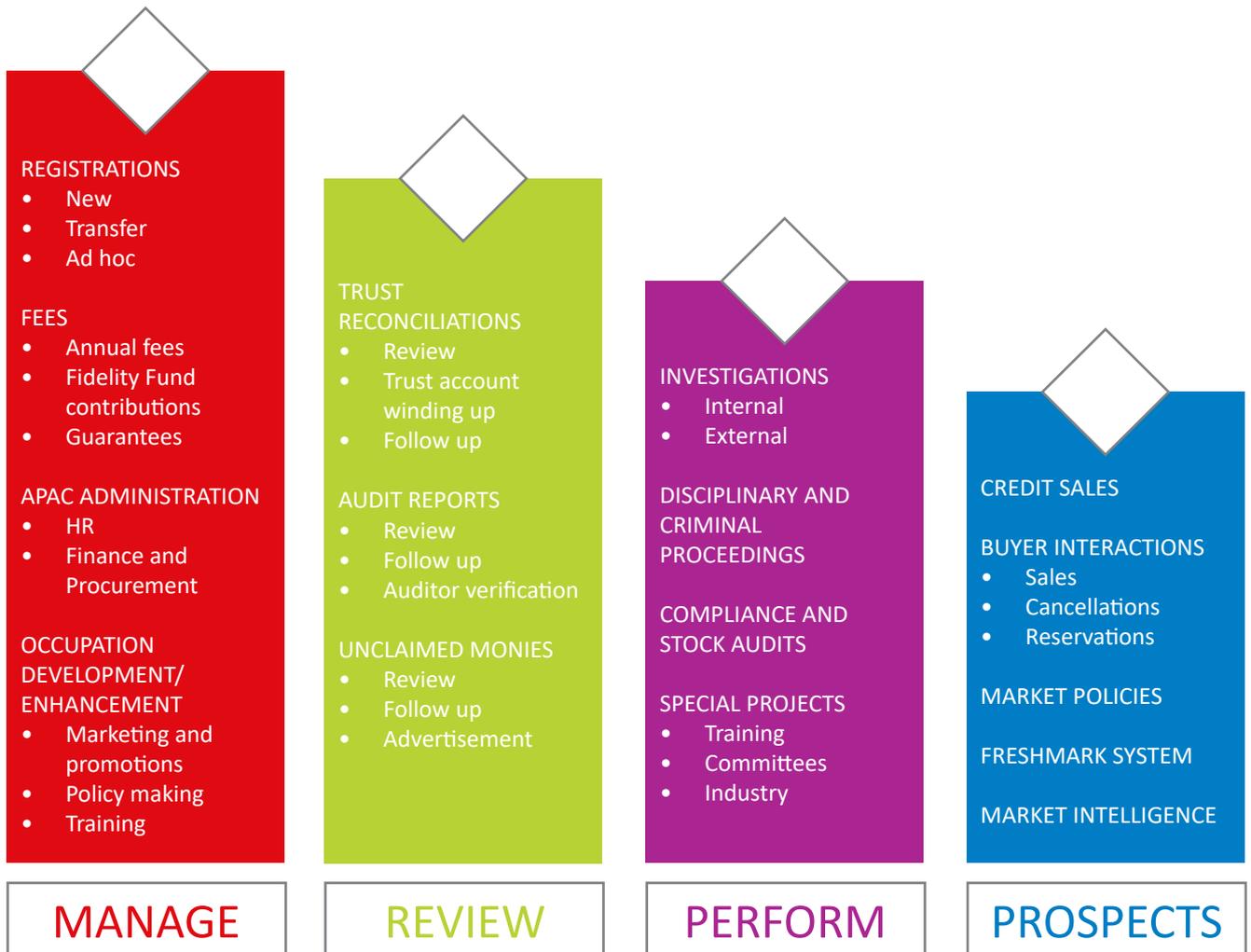
03

Detailed Strategic  
Objectives for  
2019/2020

## OBJECTIVE 1:

Continue with existing regulatory activities

We will continue to perform and enhance our existing regulatory activities as reflected below:



APAC's day-to-day management include the following operational activities:

- registration and re-admission of Agents;
- collection of security and maintenance payments from agents;
- receipt of unclaimed monies from agents;
- review of interim and annual trust reconciliations and audit reports;
- embarking on special projects such as compliance audits, stock audits, training and explore prospects;
- investigating conflicts of interests and advising thereon;
- inspections and investigations;
- attending to disciplinary proceedings;
- marketing activities;
- market support services;
- manage fidelity fund contributions and claims against the fidelity fund;
- attending to APAC's internal financial management, human resources and procurement.

## Council members and sub-committees

Sub-committees comprise of council members (see Appendix 2) with external persons invited as the need arises. The sub-committees discuss matters related to their focus areas and make recommendations to the Executive Committee for a decision. Any and all decisions will subsequently be submitted to Council for endorsement.

- We will ensure that all subcommittees meet quarterly (unless the sub-committee members agree that there is no need for a meeting at that stage);
- We will consider resource constraints and will hold meetings as far as possible at the offices of APAC or via telephone conference;
- We will explore the possibility of video conferencing to eliminate costly travel and unnecessary expenditure;
- We will ensure that sub-committees function effectively to achieve APAC goals timeously.

**Explore appropriate means of fair funding of APAC operations by all three components, as well as explore all other possible means of obtaining funding.**

Current funding of APAC activities has its origin primarily from contributions made by fresh produce agents. Adequate funding to regulate livestock and export agents is lacking.

In order to obtain additional funding, we will explore the following:

- Engagements with the Department of Agriculture, Forestry and Fisheries to request stable and continuous funding of APAC activities;
- Discussions with industry role players to solicit long-term financial support to enhance and expand APAC activities;
- In line with the amendment of the Act in Objective 2, request expedient implementation to ensure greater financial support from export and livestock agents;
- Affiliated international funding in support of agricultural development in South Africa.

## OBJECTIVE 2:

Consider aspects that are required in the Act that can be amended by the rules.

- We will actively engage the Department of Agriculture, Forestry and Fisheries to follow up on the status and progress of passing the amended Act;
- We will explore and identify aspects that require further amendments to the Act;
- The amended Rules in Respect of Fresh Produce Agents will be introduced in the current calendar year;
- All aspects that can be amended in the rules in respect of fresh produce agents, export agents and livestock agents, will be considered in conjunction with industry representatives and industry role players.
- We will investigate all aspects that are required in the Act that can be amended by the rules in respect of fresh produce agents, export agents and livestock agents.

## OBJECTIVE 3:

Representation of exporters on the Council to meet with the exporters' forum to consider current needs and rules.

- We will actively engage the Fresh Produce Exporter's Forum (FPEF) with the aim to establish a mutual beneficial working relationship;
- We will work in conjunction with the FPEF to consider the validity of the Rules in Respect of Exporters to consider additions and current needs;
- We will encourage the FPEF and other industry organisations to assist in ensuring that all export agents are registered and compliant in terms of the Act.

## OBJECTIVE 4:

APAC must ensure a level playing field- especially for new entrants (agencies) in line with the relevant regulations.

- We will ensure that all new entrants (agents and agencies) are afforded a fair and legitimate opportunity to engage APAC processes when an application is received;
- We will work in conjunction with market authorities to allow easy access for new agents and agencies at fresh produce markets;
- We will ensure that the web-based training platform is accessible to all new applicants and will provide support and assistance to training material and examinations;
- Practical training and mentorship will be provided to new entrants in their work environment to ensure a smooth induction to their new work environment.

## OBJECTIVE 5:

Expand and grow the APAC plan. (Review and expand the awareness and communication strategy, specifically to producers, plus unorganised groupings).

Our marketing and promotion strategy will continue to focus on:

- All marketing media and campaigns aimed at educating farmers about the legal responsibilities of agents, and encouraging farmers to report irregularities promptly to mitigate claims against the Fidelity Fund;
- Through various mediums, we will promote the APAC brand and make farmers aware of their dual responsibility to manage and monitor their own financial risk, as they are also responsible for the preservation of the Fidelity Fund;
- Engaging with industry stakeholders to create awareness of the benefits of utilising the aggregated services offered by registered agents functioning within the regulatory environment;
- Publishing articles and doing presentations at farmers' days that caution producers about the risks of doing business with unregistered agents;
- Distributing an annual report on registered and deregistered agencies and sales personnel to markets and industry stakeholders. This includes the continued updating and maintaining of the APAC website;
- Exhibiting at career fairs with the aim of promoting the entrepreneurial opportunity available within the agent occupation.



## Business Plan 2019/2020

# 04 Appendices

Business Plan 2019/2020

# Appendices

- APPENDIX 1      **Swot**
- APPENDIX 2      **Constitution of the Council**
- APPENDIX 3      **Budget for the forthcoming financial year**

## APPENDIX 1 - SWOT ANALYSIS



## APPENDIX 2 - CONSTITUTION OF THE COUNCIL

In terms of Section 3 of the Agricultural Produce Agents Act, 12 of 1992, the Minister appoints members of the Council for a maximum of three years. Council members are as follows:

Council Members	Council Member	End of term
Chairperson (Fresh Produce Producer)	Mr JCS Lourens	4 March 2021
Fresh Produce Producer	Mr EJ Jeftas	4 March 2020
Fresh Produce Agent	Mr J Oosthuizen	4 March 2021
Fresh produce Agent	Mr A Vos	4 March 2021
Fresh produce Agent	Mr B Simons	4 March 2020
Livestock Producer	Mr W Clack	4 March 2021
Livestock Producer	Mr NL Masoka	4 March 2020
Livestock Agent	Mr FJ Joubert	4 March 2021
Livestock Agent	Mr P Badenhorst	4 March 2020
Livestock Agent	Vacant	-
Export Agent	Mr D Kieviet	4 March 2020
Export Agent	Mr A Van Zyl	4 March 2021
Export Agent	Vacant	-
Designated	Mr M Mtshali	4 March 2021
Designated	Vacant	-
Department of Agriculture, Forestry and Fisheries	Mr LS Manthata	4 March 2021
Consumer	Mr NA Mbokane	4 March 2021
Consumer	Mrs HJ Wilken	4 March 2021

Section 7(2) of Act 12 of 1992 (the Act) determines that council may appoint one or more sub-committees, consisting of so many members of the Council, as may be deemed necessary. Sub-committees consist of a small group of council members assigned to a focus area such as for example "Audit, Risk & Remuneration" matters. Sub-committee members will elect the Chairperson for the specific sub-committee. The sub-committees discuss matters related to their focus area and makes recommendations to the Executive Committee for decision. All decisions made by the Executive Committee will be submitted to Council for endorsement.

Council has appointed eight sub-committees (herein after referred to as committees) to assist in the discharge of its duties.

- Executive Committee
- Ad Hoc Committee
- Audit, Risk & Remuneration Committee
- Transformation Committee
- Human Resource Committee
- Fresh Produce Executive Committee
- Export Executive Committee
- Livestock Executive Committee

### Terms of reference and reporting

The terms of reference of the committees is to discuss matters relating to their focus area. Any discussions, recommendations

and approvals must be aligned to the objective of Council as determined by Section 9 of the Act (to regulate the agent occupation and to maintain and enhance the occupation) as well as be in accordance to the legislative requirements of the Act and the respective Rules for Fresh Produce, Export and Livestock Agents.

Each committee will meet quarterly unless the committee members agree that there is no need at that stage for a meeting. With due regard to resource constraints, committee meetings can be held at APAC's office or via a telephone conference.

The Chairpersons of the respective committees will report to Executive Committee on such matters discussed at the sub-committee level. Recommendation for approvals will also be submitted to Executive Committee.

A person will remain part of the Council, Executive Committee and committees until such time that their term end and DAFF appoints his or her replacement. However, in accordance to the Act, a person whose term has ended may be coopted by Council to continue serving on a committee (with no voting right but in the interest of continuity and good governance).

## **Different committees**

### **1.1 The Executive Committee**

The Executive Committee consists of the chairpersons of all sub-committees. This committee meets every quarter (or four times a year) to discuss and consolidate all decisions taken at sub-committee level in preparation for final endorsement at the annual Council meeting.

### **1.2 The Ad Hoc Committee**

The Ad Hoc Committee will re-evaluate applicants who were disqualified under Section 16.6 of the Act, with due regard to their constitutional rights, and in accordance with the Promotion of Administrative Justice Act, Act 3 of 2000.

### **1.3 The Audit, Risk and Remuneration Committee**

The role of the Audit, Risk and Remuneration Committee is to ensure the integrity of financial controls, policies and integrated financial reporting as well as to identify and manage financial risks. It is essential that at least one member of this committee has suitable skills relating to accounting and/or auditing.

### **1.4 The Transformation Committee**

The Transformation Committee will identify and implement transformation initiatives with due regard to the requirements of the Act and resource availability. Any transformation initiatives must be in accordance to the relevant legislation and regulations.

### **1.5 The Human Resource Committee**

The Human Resource Committee deals with personnel matters and personnel who perform the day-to-day administrative functioning of the council, the keeping of records of account, inspections and investigations into the affairs of agents and the institution and conducting of disciplinary and/or other proceedings against agents.

### **1.6 The Fresh Produce Committee**

The Fresh Produce Committee consist of fresh produce agents, fresh produce producers, DAFF and any other category of council member. The focus area of this committee is to discuss matters relating to fresh produce agents as prescribed by the Act and the Rules for Fresh Produce Agents.

### **1.7 The Export Committee**

The Export Committee consist of export agents, fresh produce producers, DAFF and any other category of council member. The focus area of this committee is to discuss matters relating to export agents as prescribed by the Act and the Rules for Export Agents.

### **1.8 The Livestock Committee**

The Livestock Committee consist of livestock agents, livestock producers, DAFF and any other category of council member. The focus area of this committee is to discuss matters relating to livestock agents as prescribed by the Act and the Rules for Livestock Agents.



## Business Plan 2019/2020

05

## Contact Information

## **Office**

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## **E-mail**

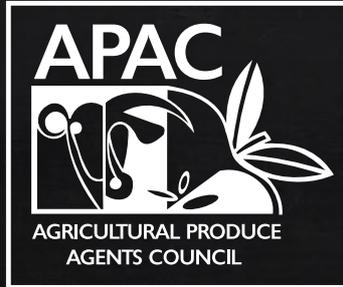
[francois@apacouncil.co.za](mailto:francois@apacouncil.co.za)

## **Auditor**

Mr J. Droskie  
Registered Accountant & Auditor

## **Bankers**

Nedbank, Investec, Bidvest



[www.apacweb.org.za](http://www.apacweb.org.za)

