

MINUTES OF THE 2021 SA OLIVE ANNUAL GENERAL MEETING

9 MARCH 2021 AT DIAMANT ESTATE, PAARL

1. OPENING AND WELCOME

SA Olive's Manager, Ms. Vittoria Jooste, welcomed all attendees to the AGM and thanked the sponsors for their support.

2. ATTENDANCE AND APOLOGIES

- 40 people attended the proceedings in person;
- 5 people attended remotely (Zoom);
- Apologies were received from:

Venishree Mayer – Adhara; John Lourandos – BM Foods; Fred Bengsch; Trevor Rayson – De Hut Olive; Robert Hobson – Rupert Wines; Arno Smith – Hillcrest Estate; Marlene Loubser – Lamara; Michael Butt – Rockhaven Farm; Barbara Bensegger – Olijvenhof; Caroline Carnaby – Duikersdrift; Pieter Brand – Goedgedacht; Bertie Phillips; Christo Konig; Trevor Brodrick – River Bend; Karen Chaloner; Rob Smart – De Werf; Jade Gelderbloem – Nomu; Michael Kekana; Zhaantel Steenkamp – Ou Pastorie; Bertie Phillips; Arno Smith - Hillcrest

- All COVID protocols were observed.
- A registration form was completed by attendees and will be kept on file.

3. A snapshot of the South African olive industry - Nina Viljoen (Agricultural economist, Hortgro)

Ms. Viljoen illustrated the structure of HORTGRO. She then explained the tree census methodology and highlighted the following points:

- Reliable data for decisions and predictions – data must be accurate;
- Critical that tree census be completed and signed off;
- 71% completion for 2020-2021;
- 20% of top 10 by area still outstanding = 10% of total hectares;

4. Disaster or Opportunity? South Africa and Africa post-COVID - Dr Greg Mills (Director, The Brenthurst Foundation)

Dr. Mills opened by describing 6 COVID trends, and continued by asking 6 key questions for Africa, to which he proposed answers through the remainder of the presentation.

He quoted some factors that work in Africa's favour - including young population, low dependency ratio, access to housing and solar power, internet penetration, positive trade relationship with rest of Africa - and flagged the agro-industry as an opportunity.

Governance as the "willing compliance of ordinary people around a common purpose" was singled out as a key enabler. Focusing on what can be changed, creating local level solutions and owning the process of recovery are critical to success.

All AGM presentations have been uploaded to the Members area on the SA Olive website.

5. AGM PROCEEDINGS

Welcome and apologies

The Chairman of SA Olive, Mr. Nick Wilkinson, welcomed all attendees to the 2021 AGM. Apologies were recorded.

Approval of minutes of 2020 AGM meeting

The minutes of the AGM held on 20 January 2020 were approved without amendments.

Proposed: Pieter Vorster Seconded: Kelly White

Additions to the agenda

No additional points were added to the agenda.

Manager's report

Ms. Jooste provided a brief overview of SA Olive activities in 2020 and highlighted the following:

- Renewal of levies granted for next four-year cycle (2021-2024);
- 3 research projects were conducted during 2020:
 - Trunk Diseases project (jointly funded by SAO & THRIP)
 - Survey of lace bug (Tingidae) and flea beetle (Argopistes spp.) species affecting olive trees in the Western Cape (funded by ACF)
 - Characterisation and management of soilborne pathogens on olive trees in the Western Cape (funded by ACF)
- Transformation and training (20% of budget): the mentorship programme was implemented at six farms through coaching and mentoring, team leadership and self-worth modules. A mentorship video was produced and distributed in lieu of the Olive Day (COVID)
- Application to be submitted to AgriSETA for the balance of 2020-2021 grant.
- Updated on CTC Scheme
 - 75 Participants (57 in 2019 – up 30%)
 - 225 samples tasted (126 in 2019 – up 80%)
 - New tasting venue: Klein Joostenberg
 - IOC Accreditation: to be repeated in 2021
- Testing and quality of oils (15% of budget)
- Marketing (40% of budget): broad marketing objectives for 2020 were revisited. The contract of the two agencies has come to an end; the selection of new service providers is in progress.
- SA Olive Awards 2020:
 - 104 entries (93 in 2019) from 50 Producers
 - Local judges (COVID)
 - No producers on panel
- Only one field day was held in 2020 (COVID). Training courses will be planned for 2021.
- Ms. Jooste reiterated the objectives of SA Olive and thanked all Members for their support.

Financial reporting and approval of new budget

Ms. Amanda du Toit of Hortgro presented an extract of the audited financial statements for the year ended 31 October 2020, with the following highlights:

Total revenue:	R2,507,536 (2019: R2,338,458)
Other income:	R781,338 (2019: R721,513)
Operating expenses:	R2,861,768 (2019: R3,478,397)
Surplus/ (Deficit) for the year:	R400,523 (2019: (R572,508))

A full set of statements will be available on request from manager@saolive.co.za.

The 2020 audited statements were approved and signed off.

Proposed C Coetzee Seconded: A Hofmeyr

There were no objections to the proposed appointment of FHBC / BK Inc as auditors for the new financial year.

Ms. du Toit then presented the proposed budget for the 2020/21 financial year. Mr Wilkinson pointed out that the budget may require some adjustment to accommodate the lower crop forecast, impact of COVID and exit from Hortgro. He further added that the rigorous financial discipline exercised has put SA Olive in the favourable position of having sufficient reserves to cover its full costs for one year.

The 2020/21 budget was accepted as presented.

Proposed N Wilkinson Seconded: A Hofmeyr

Chairman's outlook

Mr. Wilkinson provided an overview of the global and local olive oil market and highlighted some challenges for the year ahead:

- 2020/21 EU production expected to be 7% above five-year average;
- EU end stocks estimated at 2,5 months of annual production and over 6 months of world exports;
- Local production expected to be down from last year (estimated 1,2M litres), with carry-over stock from 2020;
- International development trends highlight the pursuit of quality over quantity: consumers are learning that there is no substitute for quality, but it carries a price premium.

Mr. Wilkinson highlighted the role of the CTC Scheme in educating consumers and promoting quality differentials. He further outlined the following points:

- Imported levies account for 61% of total levy income;
- Marketing efforts are limited by the need to promote local and imported EVOOs;
- If CTC had to be opened to importers, we could be pushing CTC harder;
- A separate CTC seal for imported oils is being considered;

Some healthy debate ensued. It was agreed that a separate seal may be implemented for imported oils if/when required, but that such seal should differ from the current CTC seal. This is both to avoid confusing consumers and to safeguard the goodwill embodied by the CTC seal.

Mr. Wilkinson concluded by highlighting key priorities for the SA olive industry beyond 2020:

- Generic marketing and consumer education, promoting quality differentials
- Accurate and reliable production and consumption statistics
- Improved market linkages for smaller producers; market access and social upliftment
- Protect SA quality profile and police fraudulent imports
- Promote the olive industry in government actioning National Development Plan
- Strengthen executive role of SA Olive board

Manager's report

Ms. Jooste opened by commending the resilience of the olive industry in the year of COVID. She then provided a SWOT analysis of the local industry and discussed some of the factors that can be influenced.

On the aspect of traceability, Ms. Jooste highlighted the key role of transparency, knowledge and consumer education in influencing the growth of the sector. She then used a mining analogy to highlight the power of marketing and the advantages of the olive industry.

Ms. Jooste concluded with the status of the separation from Hortgro and an overview of priorities for the new 4-year levy cycle:

- Year 1: get basics right
- Year 2: deliver value
- Year 3: track and tweak
- Year 4: report and plan

Election of board members

Mr. Wilkinson reminded the audience of the requirements for a minimum of 3 and maximum 12 directors on the Board of SA Olive, and for 1/3 of directors to step down at the AGM.

All three outgoing directors had made themselves available for re-election:

Mr. Pieter du Toit (Oakhurst); Mr. Tiaan Ras (Kadimah); Ms. Kelly White (Greenleaf).

One nomination was recorded at the AGM: Mr. Colin Coetzee.

Plain papers were handed out and attendees had the opportunity to vote for 3 Board members. Following a count of the votes, the composition of the 2021 SA Olive Board was confirmed as follows:

Nick Wilkinson (Rio Largo), Venishree Mayer (Fraaigelegen/Adhara), Kelly White (Greenleaf Olive Company), Pieter du Toit (Oakhurst Olives), Jason de Beer (Morgenster), Louise Rabie (Lions Creek), Steve Wilson (Wilson's Food), Tiaan Ras (Kadimah), Pieter Vorster (Mount Ceder), Arend Hofmeyr (Portion 36), Gert van Dyk (Tokara) and Richard Allen (Buffet Olives).

The respective portfolios will be allocated at the first meeting of the Board of SA Olive.

6. CLOSURE OF MEETING

The meeting adjourned at 13:00.