



FPMI PUBLIC HEARINGS: CHAIRPERSON'S OPENING REMARKS

Introduction

By way of introduction, in March 2023 the Competition Commission launched the Fresh Produce Market Inquiry. The main objective of the Inquiry is to identify features, or combination of features, that inhibit or distort competition and participation in the fresh produce value chain. Where there are competition and/or public interest issues, the FPMI aims to provide recommendations to foster competition and ensure equitable and meaningful participation in the value chain for the benefit of all stakeholders as well as consumers in the economy. In this sense the Inquiry is considering aspects of both consumer welfare and public interest.

Scope (themes & commodities)

The FPMI's consideration of the issues are divided into three themes. These are:

- the efficiency of the value chain, with an emphasis on the dynamics around fresh produce market facilities;
- market dynamics of key inputs and their impact on producers; and
- barriers to entry facing SME and HDP producers.

The Inquiry's starting point during its considerations have been to consider all fresh produce commodities as a whole. However, specific emphasis is being placed on certain commodities where a specific delineation between products are warranted. These commodities are:

- Fruits: apples, citrus (particularly oranges and soft citrus), bananas, pears and table grapes;
- Vegetables: potatoes, onions, carrots, cabbage, tomatoes and spinach.

Purpose of the public hearings

Public hearings are an important part of the Inquiry's processes and allow for a further means of engagement between the Inquiry and stakeholders in a public setting.

The first round of public hearings will form part of the Inquiry's information and evidence gathering processes. To date the Inquiry has gathered extensive information from a wide range of stakeholders across the value chain and held workshops with SME and HDP farmers across various parts of the country. The public hearings will present another opportunity for stakeholders to present their views on the challenges and potential solutions which impact the South African fresh produce value chain.

For the first round of public hearings 39 potential stakeholders were invited, based on their written submissions to the Inquiry and the opportunity presented by their submission to explore certain critical topics. Over the next number of days, the Inquiry will call on a total of 15 stakeholders to each partake in a dedicated session with the Inquiry. The remaining stakeholders declined the Inquiry's invitation either citing that they don't have further input to provide or due to availability. We will continue engaging with these and other stakeholders and a second set of public hearings may as a result be arranged in due course.

Order of proceedings

I shall be chairing these proceedings and will be assisted by the Inquiry's Technical Director, Mr. Ruan Maré. Stakeholders will be led by two evidence leaders, Mr. Derrick Bowles and Mr. Mfundo Ngobese, both admitted attorneys and in the employ of the Competition Commission. They will be supported by the Inquiry's technical team.

Stakeholders will be afforded about 30 minutes to address the Inquiry. Thereafter the evidence leaders will pose certain questions to each stakeholder.

Proceedings are live streamed and also recorded.



Insofar possible the hearings will be conducted in a manner that does not divulge confidential information. At times, the proceedings may enter into an *in camera* session to safeguard confidential information. Such sessions will be limited to ensure as much of the proceedings as possible occur in public sessions.

As final introductory words, I express my thanks for the time which stakeholders are affording to these hearings. We will remain mindful to stay as close to the programme and allotted timeslots as possible, but some flexibility is in order.

I now hand over to Mr. Bowles to lead the Agricultural Research Council in the first session.

OATH:

Please state your full names.

Do you have any objections to taking an oath?

Do you consider the oath to be binding on your conscience?

Do you swear to tell the truth, the whole truth and nothing but the truth? Please raise your right hand and say “so help me God”.

AFFIRMATION:

Do you consider this affirmation to be binding on your conscience?

Do you promise to tell the truth, the whole truth and nothing but the truth? Please raise your right hand and say “I do”.

