

ANNUAL REPORT

2019 | 2020



Potato Certification
Service (NPC)



POTATO CERTIFICATION SERVICE (NPC)

Reg. No. 1995/005404/08

2019/2020



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About PCS

Potato Certification Service (PCS) is a Non-Profit Company (NPC) under the Companies Act 71, 2008 (Act 71 of 2008), without members, established in 1995, with the mandate to certify seed potatoes and is contracted as service provider of the Independent Certification Council for Seed Potatoes (ICCS), appointed as authority in terms of the South African Seed Potato Certification Scheme (Scheme) by the Minister of Agriculture, Land Reform and Rural Development (DALRRD). The DALRRD audits PCS on its line functions and systems since PCS performs the functions and duties in terms of a statutory scheme. The Scheme is promulgated in terms of the Plant Improvement Act, 1976 (Act No. 53 of 1976).

01

VISION

Potato Certification Service's vision is to play a leadership role in the pursuit of a sustained supply of healthy planting material for the South African potato industry.



02

MISSION

Potato Certification Service's mission is to be an industry-related service, which supports the South African potato industry to perform optimally by ensuring the availability of high-quality planting material.



03

VALUES

Potato Certification Service strives towards excellence by living the following values:

- Client trust and satisfaction
- Effective utilization of resources
- Equal opportunities
- Performance orientation



Chairperson's Report

Potato Certification Service delivered inspection services on 9 954 hectares registered (budgeted for 11 000 ha) for seed potato production under the South African Seed Potato Certification Scheme. Over 6 million 25 kg bags of seed potatoes had been certified.



Gerhard Posthumus

We have conducted around 4 564 field inspections and approximately 2 487 tuber inspections. Effectiveness has definitely not been compromised during the time of various stages of lockdown due to the Covid-19 pandemic.

In the reporting year, we had one resignation and two new appointments, with the certification officials still in training making good progress to qualify on the various aspects of certification. PCS is in a very good position regarding fully qualified certification officials to perform the functions of the Scheme. In addition, several of our certification officials were authorized by the Department of Agriculture on inspections for export.

Annually PCS invests in the technological upgrade of the Database, as well as the SharePoint administrative system. The new IT environment certainly allowed for smooth remote operation during the Covid-19 lockdown period.

Sanette Thiar, our Managing Director, attended the Rapporteurs' meeting of the United Nations Economic Commission for Europe (UNECE) Working Party on Trade in Seed Potatoes in Montana, USA, in September 2019, and she and the Technical Manager attended a two-day online session in June 2020. Attention was given to a survey on

bacterial testing methodologies, a Guide for Mini Tuber Production, stability in tissue culture and capacity building. André Wessels and Pieter Leibbrandt also had the privilege to attend a training Course on Potato Cultivation for Developing Countries, hosted at Hubei Vocational College of Biotechnology in China in November 2019. This was on invitation by the Directorate: Sector Education and Training from Department of Agriculture and the costs were sponsored by the Chinese embassy.

Last year we had no increase in certification tariff, but due to the fewer hectares realising and fewer hectares planned for the next year, a 7.64% increase was approved. The tariff increased to R2 185 per hectare, which is approximately R3.65 per bag of seed potatoes certified. The reserve built up over the years helped to keep the tariff increase reasonable. It is further notable that for the first time in the history of the company, PCS has no vehicles on hire purchase.

A lot of attention had also been given to the finalization of the last amendments of the Scheme before submitting it to the Registrar of Plant Improvement. Adv. Les Kügel Chair of the ICCSP, attends the PCS Board meetings to ensure PCS has the financial and human resources required to fulfil the duties of the ICCSP and is thanked for his role in certification.

2020 was a year that forced us to think, act and plan different to what we are used to. It is specifically with this in mind that I want to thank our MD, Ms Sanette Thiar and her staff for their diligence in delivering continued and excellent services under difficult circumstances. My fellow board members, a special word of appreciation to you too for valued input towards PCS. To all seed potato growers and also our clients the potato growers.....may next season be the best one ever!

Gerhard Posthumus

Chair of the Board of Directors of Potato Certification Service

Managing Director's Report

It is a privilege to report that the Company had a good year despite challenges due to the global Covid-19 pandemic and the downturn in the economy.



Sanette Thiar

The budgeted hectares for the reporting period were 11 000 of which only 9 923 realized, which were 1 077 less than expected. PCS's financial position is healthy despite the fewer hectares registered. The reserve built up over a decade ensured that no jobs were lost in this difficult time.

A huge thank you goes to all the seed potato growers for assisting our certification officials to keep up social distancing on the farms. I am extremely grateful to report no employee contracted Covid-19 in the reporting year. We continue to render certification services taking the necessary sanitizing and social distancing precautions.

Since we deliver essential services, we cannot afford employees or entire offices to be taken out of commission due to the virus. We, therefore, where possible, continue to work remotely in order to limit any possible infection and cross-infection between employees. Due to the lockdown restrictions, meetings had been held online and most employees and all of the staff at Head Office moved to home-based offices. The move to the SharePoint Cloud-based system in July 2019 proved invaluable and

all employees continue to work very productively in the remote working environment. Employees are constantly connected via Teams and communication with Regional Managers and administrative personnel are now even on a higher level.

I believe that the integrity and commitment of our employees showed in this time and I am extremely proud of the way they quickly adjusted to the remote working environment.

The various DALRRD Directorates, namely Plant Production, Inspection Services, Plant Health and Food Import and Export Services as well as Genetic Resources are commended for their cooperation with the potato industry in ensuring compliance with the relevant legislation. Ms Joan Sadie, Registrar of the Plant Improvement Act under which the Scheme is promulgated, and Ms Elna de Bruyn, Registrar of the Plant Breeders' Rights Act, and their teams are thanked. Mr Gilbert Mediroe, Deputy Director Inspection Services: Air and Sea Ports and Chair of the Potato Quarantine Pest Committee, is thanked for his crucial role in communication between the DALRRD and the potato industry.

The Board of Directors and the ICCSP, especially its Chair, Adv. Kügel, are thanked for availing themselves and their knowledge and expertise to the benefit of the company and the seed potato industry.

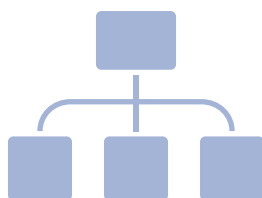
My message stays: Plant only certified seed potatoes!

Sanette Thiar

Managing Director

Independent Certification Council for Seed Potatoes (ICCSP)

The ICCSP has an independent, unattached Chairperson, with industry representatives consisting of the Chair of Potatoes South Africa, the Chair and Vice-Chair of the National Seed Potato Committee representing the seed potato growers, a third member from the National Seed Potato Committee representing the table potato producers, the Forum for Nuclear Material Producers (NUMPRO) and processing industry. The industry technical representatives comprise of a representative from Potato Laboratory Services (PLS), the Managing Director of PCS as well as the Research and Development Manager of Potatoes South Africa. The independent chair was appointed by the seed growers serving on the ICCSP. Three representatives of the Department of Agriculture, Land Reform and Rural Development attend Council meetings but do not have voting rights.

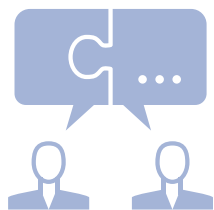


Council Member	Position	Representative for:
Adv. Les Kügel	Chair	Independent
Industry representatives		
JF van der Merwe	Member	Potatoes South Africa - Chair
Gerhard Posthumus	Vice-Chairman	National Seed Potato Committee - Chair
Jakkie Mellet	Member	National Seed Potato Committee - Vice Chair
Dawie Ras	Member	National Seed Potato Committee - Additional member
Technical representatives		
Dr. Niederwieser	Member	Potatoes South Africa - Research and Development Manager
Marieta Botha	Member	Plantovita - Chief Executive Officer
Sanette Thiar	Member	Potato Certification Service - Managing Director
DALRRD Representatives		
Joan Sadie	Registrar	Plant Improvement Act - Directorate of Plant Production
Gilbert Mediroe	Deputy Director	Agricultural Pests Act – Directorate Inspection Services
Maanda Rambauli	Executive Officer	Agricultural Pests Act - Directorate: Plant Health

Potato Certification Service Board of Directors

The Board of Directors consists of the four Regional Chairpersons of the Seed Potato Growers, namely Gerhard Posthumus (Western), Jakkie Mellet (Northern), Johan van Greunen (Southern) and Gavin Hill (Eastern) as non-executive directors, with Sanette Thiar, Managing Director as the executive director. Gerhard Posthumus serves as Chair with Jakkie Mellet as Vice-Chair.

The Chair of the ICCSP, Adv. Les Kügel, attends the Board meetings to ensure that PCS as the ICCSP's service provider has the human and financial resources to apply the Scheme efficiently and attainably.



Human Resources



01

Staff that left the company

- David Steyn, Certification Official in Christiana – 31 October 2019



02

Staff that were promoted

Sampling

- HW Coen, Trainee Certification Official – 4 March 2020
- Johan Fick, Trainee Certification Official – 4 March 2020

Tuber inspection

- Ngwedi Legodu, Trainee Certification Official – 11 July 2019
- Tristan Pillay, Trainee Certification Official – 29 January 2020
- HW Coen - Trainee Certification Official – 3 March 2020



03

Staff that joined the company

- HW Coen, Trainee Certification Official in Christiana – 1 July 2019
- Johan Fick, Trainee Certification Official in Christiana – 1 December 2019



04

Staff that were transferred

- Michael Schultze, Certification Official was transferred from Christiana to Middelburg to ease the workload in the Northern region – 1 October 2019
- Instead of transferring someone to the Southern Region, Jamie Jansen van Vuuren assisted there from September 2019 to January 2020



05

Staff that were authorized by DALRRD for phytosanitary inspections for export

- Michael Schultze, Middelburg – 11 March 2020
- André Murray, Christiana – 4 May 2020
- Pieter Leibbrandt, Christiana – 11 May 2020

Finance

Being a not-for-profit company which relies on the hectares to be planted as indicated by the seed potato growers, any change in hectares registered, will either result in a surplus due to more hectares than planned registered, or, a deficit where less hectares are registered. The budgeted hectares for the reporting period were 11 000 of which only 9 923 realized, which were thus 1 077 less than expected. The Total Income (R22 071 240) is R1 046 129 less than budgeted, but the Total Expenditure (R22 169 635) is R1 885 468 less than expected for the year, which makes the nett shortage for the year R839 339, instead of a budgeted shortage of R937 734.



REGION	12 MONTHS	ACTUAL	DIFFERENCE
Eastern	2 259	1 852	-407
Eastern Free State	430	272	-158
KwaZulu-Natal	1 374	1 272	-102
North-Eastern Cape	455	308	-147
Northern	760	645	-155
Gauteng	0	0	0
Mpumalanga	507	410	-97
Limpopo	253	235	-18
Southern	527	380	-147
Ceres	49	47	-2
Sandveld	395	272	-123
Southern Cape	83	61	-22
Western	7 454	7 046	-408
Eastern Cape	150	17	-133
North West	808	708	-100
Northern Cape	1 600	1 347	-253
Western Free State	4 896	4 974	+78
TOTAL	11 000	9 923	-1 077

Certification of Seed Potatoes

Regional Office	Registrations	1 st Field inspections	2 nd Field inspections	3 rd Field inspections	Bacterial samples	Virus samples	Tuber inspections	Post-control virus samples	Post-control variety samples
Christiana	1 281	1 281	1 280	-	1 281	1 973	1 374	1 293	1 446
Douglas	229	229	229	-	229	408	329	225	307
Lydenburg	212	211	211	2	194	236	193	155	190
Malmesbury	158	158	149	6	143	149	77	40	53
Pietermaritzburg	397	396	386	4	386	519	514	458	472
Total	2 277	2 275	2 255	12	2 233	3 285	2 487	2 171	2 468

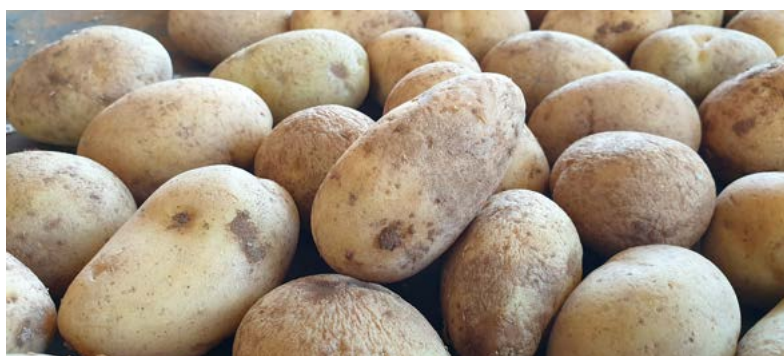
Registrations

- A total of **2 277** units had been registered in the 2019/2020 planting season.
- **4 542 field inspections** had been carried out.
- **2 233 bacterial samples** were sampled and submitted to an ICCSP approved testing facility.
- **3 285 virus samples** determined the virus status of registered units.
- **2 487 tuber inspections** were carried out by Certification Officials.
- **2 171 Post-control virus samples** and **2 468 Post-control variety samples** were submitted to Plantovita for testing and evaluation.



Causes for downgrading or rejection during the certification process

Based on the tolerances for the generation planted of the respective deviations, PLRV (Field Sample Virus), Black Dot / Silver Scurf (Tuber Inspection) and PVY (Field Sample Virus) were the biggest causes for rejection or downgrading.



Mini Tuber Production

2 714 116 In vitro plants were planted and registered by **8 ICCSP approved greenhouse facilities** for mini tuber production. These plants were from **77 varieties** and yielded **9 006 960 certified mini tubers** to date. The virus status of mini tubers are determined in 87.80% cases by virus leaf samples.

ICCSP Approved Facilities

In Vitro Multiplication Facilities	
Grower Code	Grower Name
B 007	Agricultural Research Council
C 001	Ceres Aartappels (Edms) Bpk.
L 001	Rascal Seed Research
N 196	CP Dwen t/a Super Spuds
R 015	Vitroplant South Africa (Pty) Ltd.



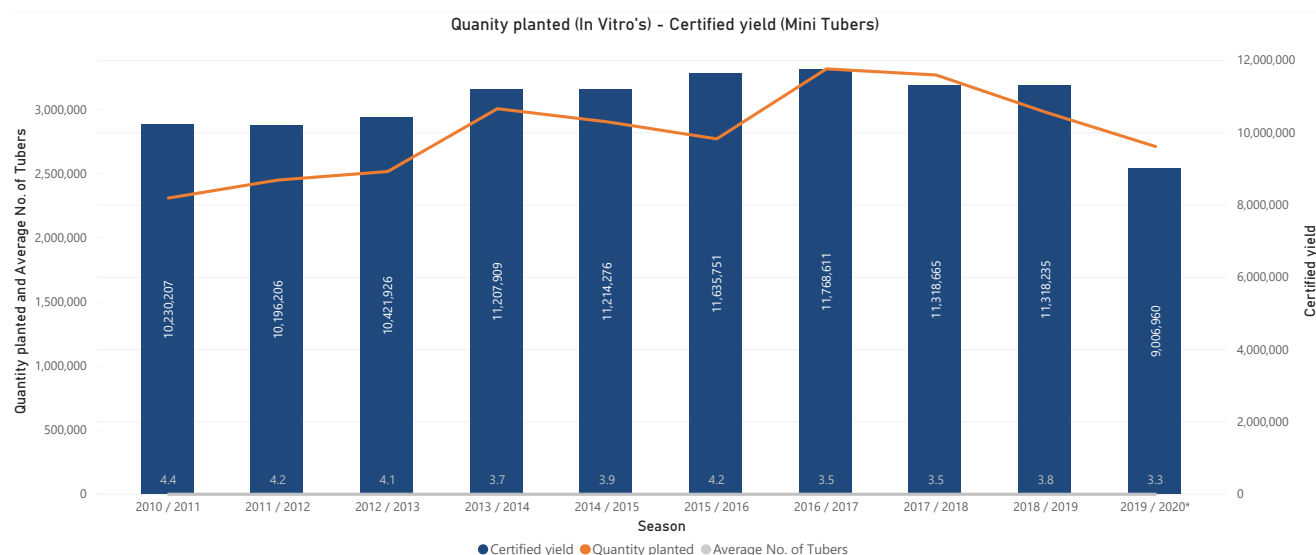
Greenhouse Facilities for Mini Tuber Production	
Grower Code	Grower Name
B 008	Potato Seed Production
C 001	Ceres Aartappels (Edms) Bpk.
D 064	GWK Kweekhuis
L 001	Rascal Seed Research
N 196	CP Dwen t/a Super Spuds
P 020	Maluti Mini Tubers CC
R 015	Vitroplant South Africa (Pty) Ltd.
S 169	Advanced Potato Propagation (Pty) Ltd.

In Vitro's Registered:

2018-2019	2019-2020
2 981 439	2 714 116

Varieties Registered

2018-2019	2019-2020
75	77



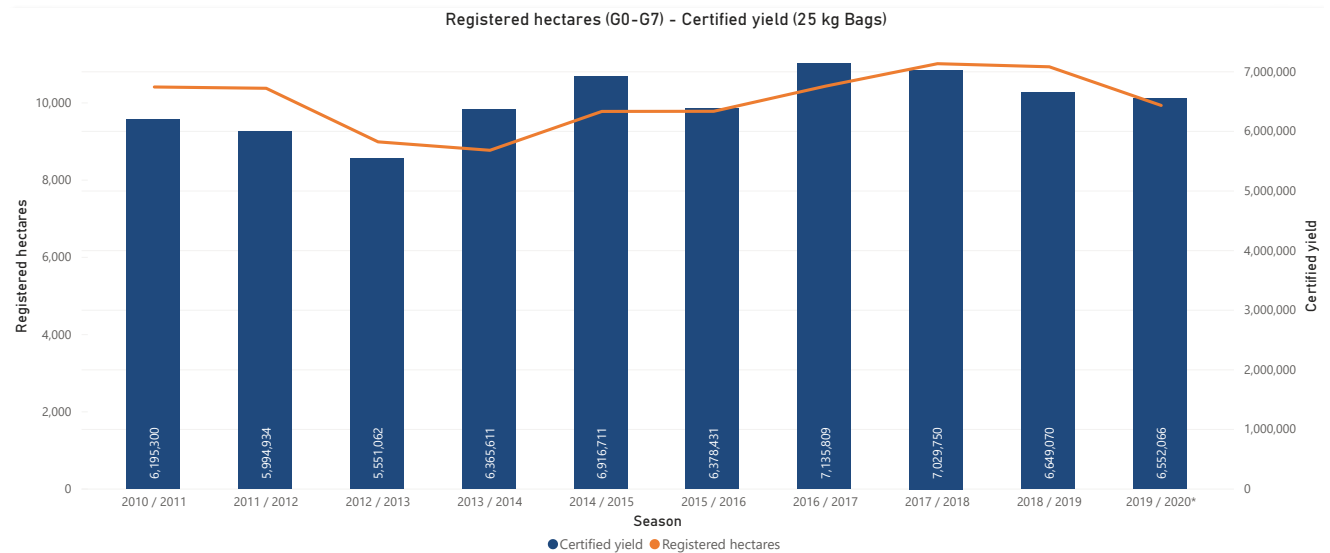
* 2019/2020 - Not complete

Quantity planted (In Vitro's) - Certified yield (Mini Tubers)							
2016 / 2017		2017 / 2018		2018 / 2019		2019 / 2020*	
Quantity planted	Mini Tubers	Quantity planted	Mini Tubers	Quantity planted	Mini Tubers	Quantity planted	Mini Tubers
3 319 905	11 768 611	3 272 195	11 318 665	2 981 439	11 318 665	2 714 116	9 006 960

* 2019/2020 - Not complete

G0-G7 Seed Potato Production

108 Seed potato growers have registered plantings under the Scheme in the reporting year with **6.5 million 25 kg bags** of seed potatoes certified to date on the plantings registered. The yield for **2019/2020** is not complete yet due to tuber inspections on the last plantings made in May and June of the financial year not being certified yet. An **average of 720 25 kg bags** are certified per hectare.



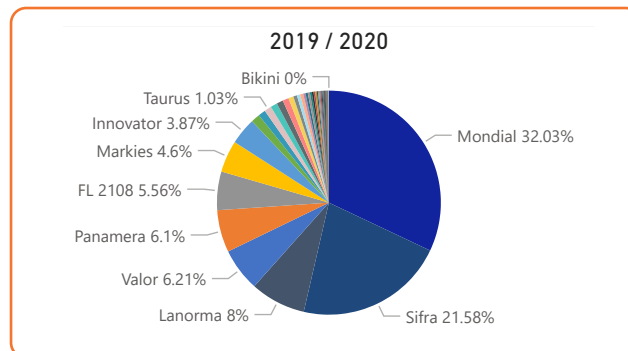
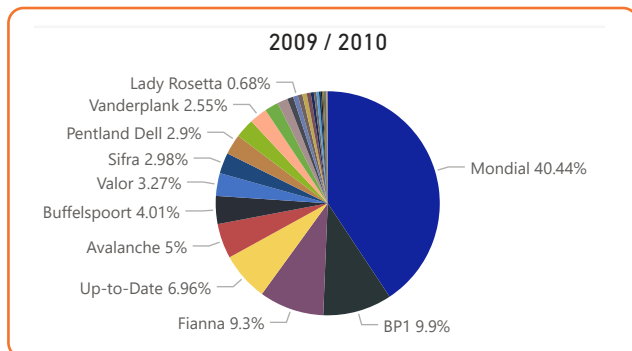
* 2019 / 2020 - Not Complete

Registered plantings (G0-G7) - Certified yield (G1 - G8 & Std - 25 kg Bags)								
Seasons	2016 / 2017		2017 / 2018		2018 / 2019		2019 / 2020*	
Region	Hectares	25 kg bags	Hectares	25 kg bags	Hectares	25 kg bags	Hectares	25 kg bags
Eastern	2 207	1 491 720	2 199	1 523 752	2 152	1 333 399	1 846	1 261 558
Eastern Free-State	366	274 294	370	263 776	396	180 910	270	188 878
KwaZulu-Natal	1 211	960 449	1 344	948 137	1 294	953 428	1 267	926 953
North-Eastern Cape	630	256 977	485	311 839	462	199 061	308	145 727
Nothorn	551	454 679	691	478 971	734	619 207	657	439 925
Gauteng	-	-	-	-	-	-	-	-
Limpopo	221	168 656	272	181 973	253	214 183	264	175 169
Mpumalanga	330	286 023	419	296 998	481	405 024	393	264 756
Southern	359	224 108	398	207 778	365	206 674	372	120 968
Ceres	65	33 438	34	36 799	39	25 140	43	9 254
Sandveld	27	6 297	107	23 404	63	38 368	102	3 608
Sandveld (R)	201	131 795	197	104 529	215	107 587	163	76 664
Southern Cape	66	52 578	60	43 046	48	35 579	64	31 442
Western	7 317	4 965 302	7 728	4 819 249	7 685	4 489 790	7 060	4 729 615
Eastern Cape	132	44 300	138	59 956	170	17 991	17	1 906
North West	717	1 213 028	932	1 089 504	737	909 833	719	1 121 558
Nothorn Cape	1 275	722 264	1 469	709 236	1 615	729 263	1 340	768 973
Western Free State	5 193	2 985 710	5 190	2 960 553	5 163	2 832 703	4 984	2 837 178
Total	10 434	7 135 809	11 016	7 029 750	10 935	6 649 070	9 935	6 552 066

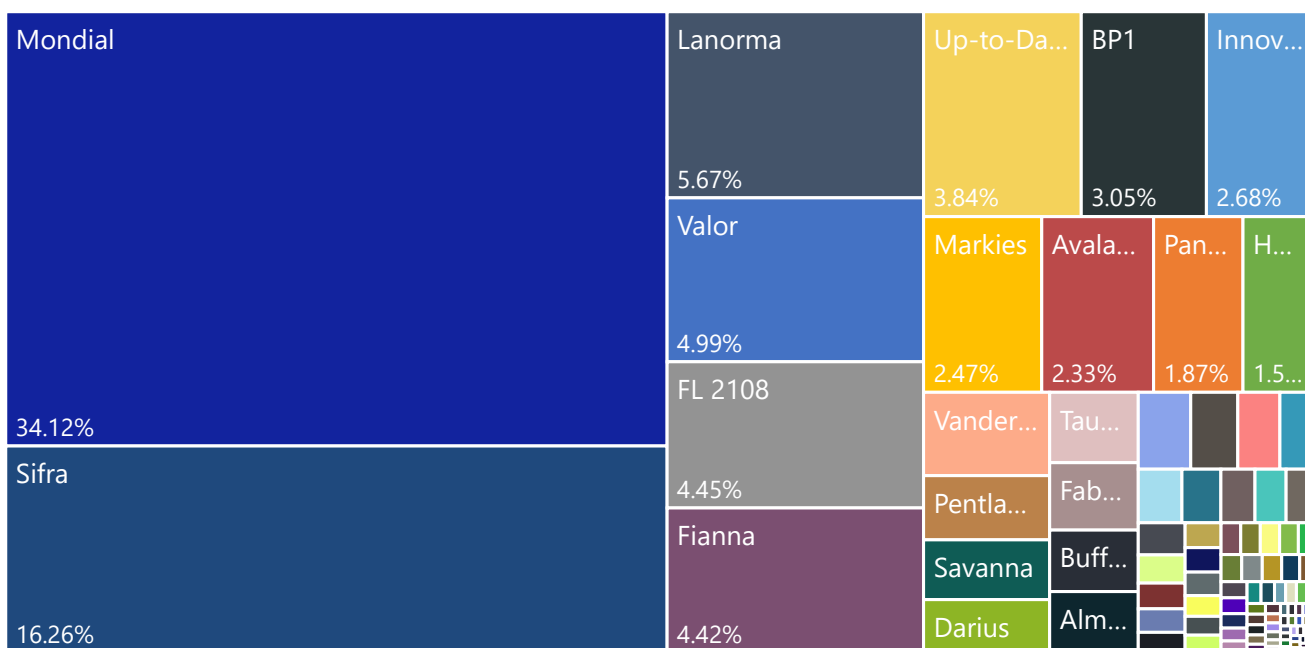
* 2019 / 2020 - Not Complete

Variety Distribution

- Mondial is still the leading variety with regards to number of 25 kg bags certified.
- Mondial (32.03%) is followed by Sifra (21.58%) and Lanorma (8%).
- Ten years ago, Mondial comprised 40.44% of all certified seed potatoes, with BP1 in the second place at 9.9% of all seed potatoes certified.
- During 2019/2020, 75 varieties were registered.



Variety yield distribution from 2009/07/01 to date



No. of varieties registered in 2009 / 2010

129

Count of Variety

No. of varieties registered in 2019 / 2020

75

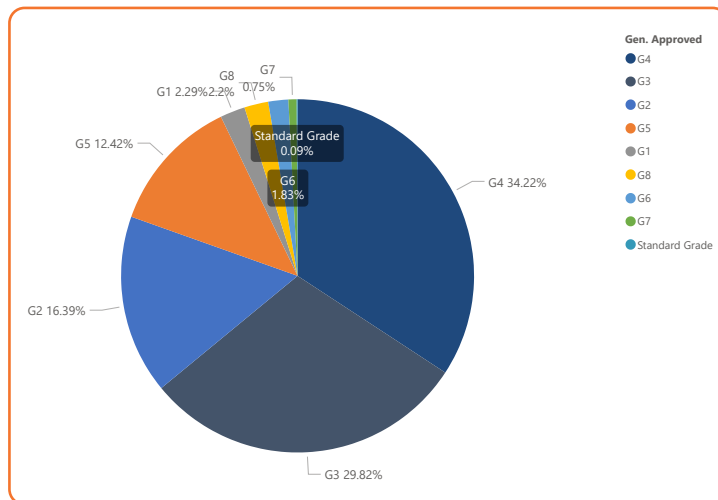
Count of Variety



Generation Distribution

- Generation 1 to 4 make up 83% of all seed potatoes certified

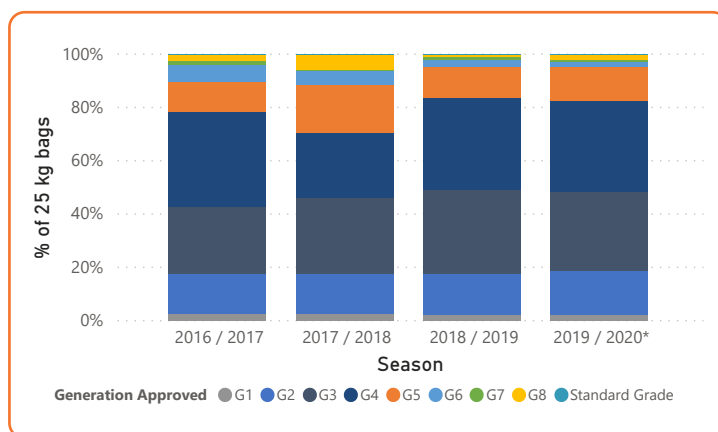
Yield per Generation: 2019/07/01 to 2020/06/30



Considering the number of bags required for planting all the hectares of potatoes in South Africa and one subtracts the number of bags exported, the percentage farm-saved seed and seed potatoes planted as uncertified varies between 10 and 15%.

On average, 86.57% of seed potatoes were certified according to the original generation for seed production. During tuber inspections on seed lots, the tuber count and the weight of the bags are verified randomly. The findings are recorded on the PCS Database, and where deviations occur, growers are informed.

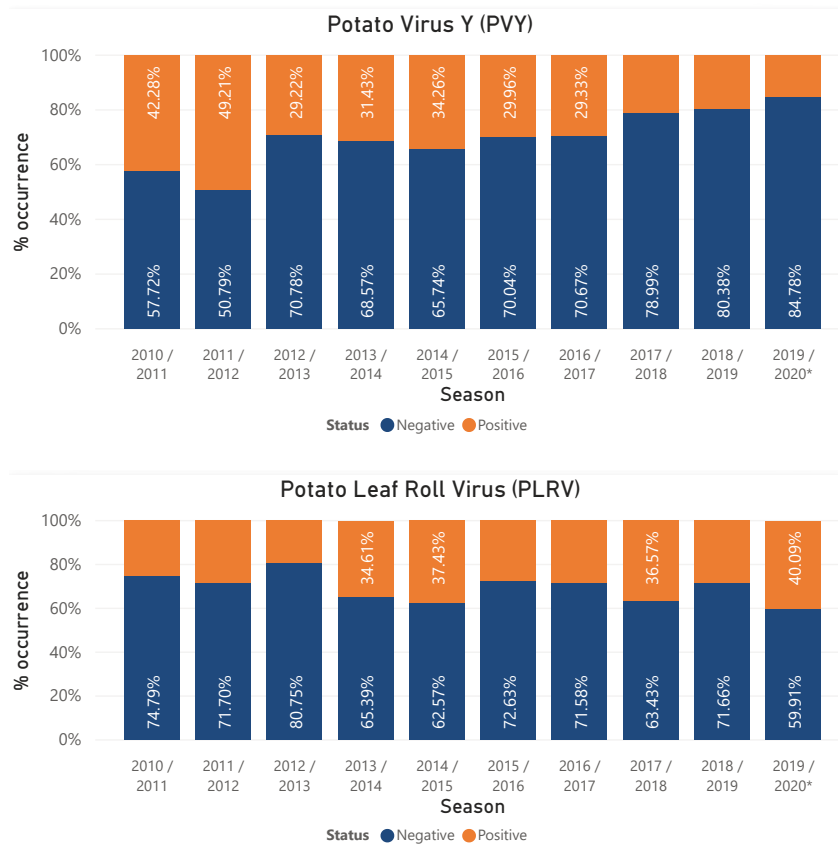
Percentage of Certified yield



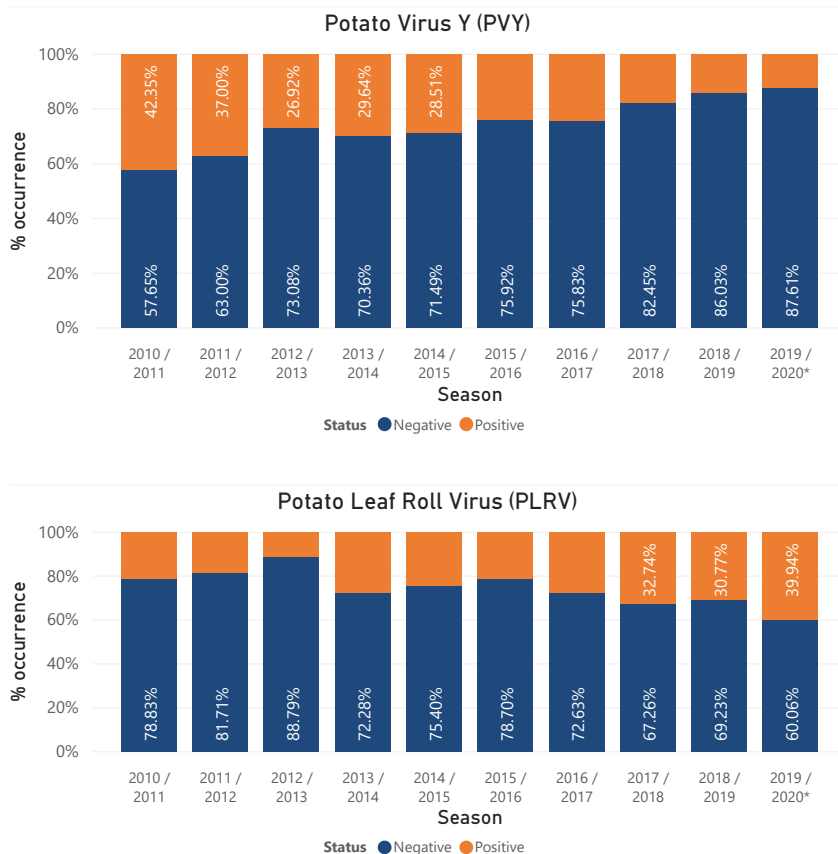
Certified yield per Generation				
Generation Approved	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020*
G1	176 213	186 075	138 549	149 826
G2	1 077 754	1 053 972	1 021 776	1 074 143
G3	1 787 041	2 019 795	2 117 107	1 953 707
G4	2 537 807	1 692 065	2 285 339	2 242 283
G5	827 263	1 277 551	768 062	813 539
G6	441 836	359 482	182 896	120 067
G7	114 575	30 939	68 658	49 092
G8	148 405	405 406	48 725	143 833
Standard Grade	24 915	4 465	17 958	5 576
Total	7 135 809	7 029 750	6 649 070	6 552 066

Phyto-sanitary aspects

Field Sample Virus



Post-Control Virus Sample



Risk Management

- Where Post-Control samples exceed the maximum tolerances for PVY (15%), PLRV (5%), TSWV (15%) or total virus infection (15%) it is investigated by PCS Head Office and growers are informed in writing.
- Where high infections occur, the grower will be requested to inform the buyer in writing and a copy of the notification be supplied to PCS.
- During 2019 / 2020 season, 47 post-control samples taken from certified seed lots exceeded the maximum tolerance for PLRV and 3 samples for PVY.
- Variety mixing in post-control samples was detected in only 0.41% of bags certified to date.

Prohibited Organisms

01

Ralstonia spp.

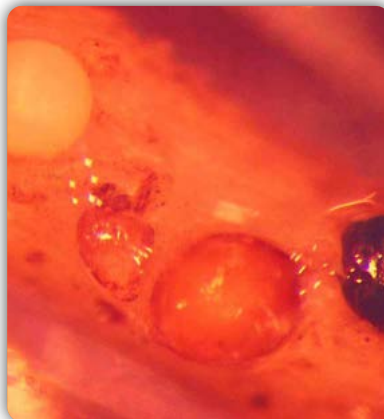
- Seed production units infected with the Bacterial Wilt-causing organism has decreased from 35 in 1994 to none or one perhaps in the last 6 years, with two reported in the 2019/2020 planting season.



02

Golden Cyst Nematode

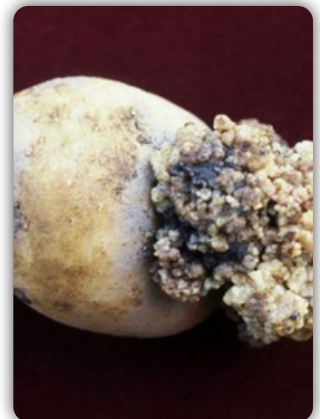
- No seed production units had been infected with *Globodera rostochiensis* for years.
- The last units where cyst forming nematodes had been found were identified as *Globodera capensis*, which is not a prohibited organism.
- DALRRD has ongoing surveillance for this pest and all units registered for export are sampled and laboratory tested for the presence of the organism.



03

Wart Disease

- *Synchytrium endobioticum* was last found in South Africa in the 1920's.
- DALRRD has ongoing surveillance for this pest and all units registered for export are sampled and laboratory tested for the presence of the organism.



Contact Us



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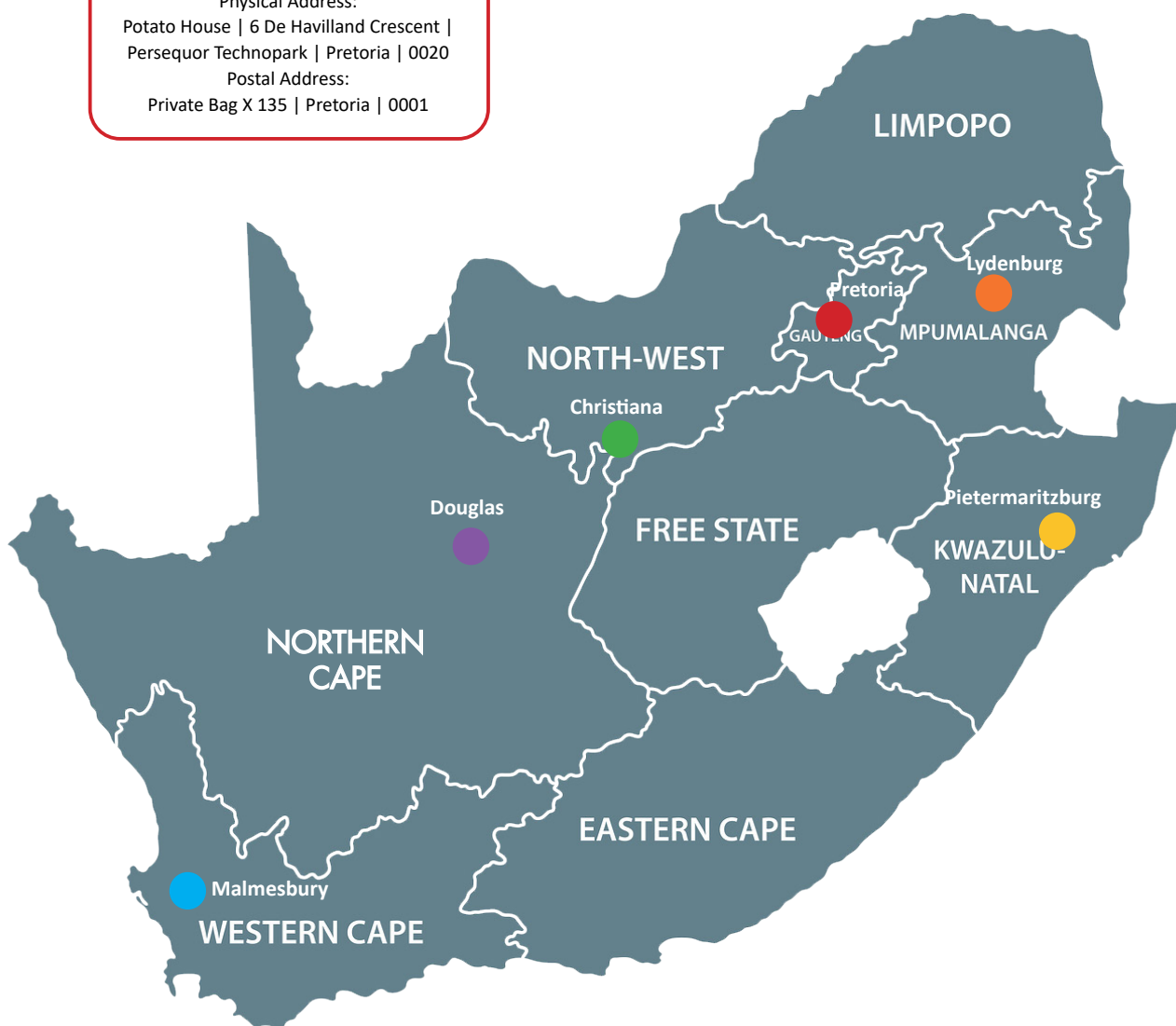
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 Potato House | 6 De Havilland Crescent |
 Perseus Technopark | Pretoria | 0020
 Postal Address:
 Private Bag X 135 | Pretoria | 0001



■ Head Office: S25° 44.722' E28° 16.381'

■ Malmesbury: E18° 43.459' S33° 26.825'

■ Douglas: E23° 46.287' S29° 3.233'

■ Christiana: E25° 9.929' S27° 54.864'

■ Lydenburg: E30° 28.262' S25° 6.311'

■ Pietermaritzburg: E30° 25.059' S29° 39.415'



Potato Certification
Service (NPC)