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PRESS RELEASE

South Africa can produce and store food for Africa

The population explosion in sub-Saharan Africa means that 2 billion people on the African continent will have to be fed by 2050. Silo capacity for grain storage in this part of the world is scarce and South Africa's neighbours will increasingly use our infrastructure and storage facilities.

'Africa is an unstable continent that is faced by a population explosion. We must feed these people and food security should therefore be our goal. The grain industry in South Africa possesses the ability and infrastructure to produce food and store it effectively in our silos, which have a capacity of approximately 20,5 million tons,' said Ms Annatjie Loio, president of the Grain Handling Organisation of Southern Africa (Gosa), at the 31st annual symposium of the organisation in Mossel Bay.

During the past season the local grain industry handled 16 million tons of grain, maize exports amounted to 1,8 million tons, and 15 000 tons of soybeans were exported. Imports comprised 81 000 tons of sunflower seed, 68 000 tons of grain sorghum, 90 000 tons of maize and 800 000 tons of wheat.

South Africa is on the eve of a possible 12,9 million ton maize harvest. The total storage for the coming season is expected to amount to 18 million tons, which can include 2 million tons of wheat, 263 000 tons of malting barley, and 112 000 tons of canola.

Maize stock levels are currently limited and record prices of as high as R3 850 per ton were obtained. The first cargo of imported yellow maize has already arrived in South Africa. In line with the good rainfall and stronger rand, the local market can expect a drop in grain prices during the harvest period.

The ideal production conditions experienced by maize and soybean producers in Brazil and Argentina this year are a strong indication that world markets will have no shortage of the crops. Although Argentina expects a record crop, the country is the victim of financial, economic and political chaos. Power failures and a fuel shortage can mean that the harvest does not reach the grain market.

Ukraine, also an exporter, is battling with political instability, which is already affecting their export programme. Chinese grain stocks are sufficient for their own consumption, but this country's arable land is dwindling. Increasing water shortages and air pollution are further challenges.

'South Africans are sophisticated and well-rounded. I travelled across the world and have never encountered such exceptional people. I am proud of the people of South Africa,' Loio said to the symposium delegates.

The annual Gosa symposium is one of the ways in which the organisation tries to provide a platform for active discussion and interaction between grain handlers and role players involved in the processing and distribution of grains and oilseeds. Suppliers of related equipment, products and services, as well as persons involved in training and research in the industry, were also present.

Caption (Gosa 1):

On the left is Mr Kallie Schoeman of Schoeman Boerdery, who retired as board member and Gosa vice president this year, with Ms Annatjie Loio, president of Gosa. Mr Esli Rall, right, of Rand Merchant Bank (RMB) and a board member of Gosa, took over the reigns as vice president.

Caption (Gosa 2):

The Gosa symposium creates a networking platform for role players in the grain value chain. Mr Vusi Thembekwayo, middle, addressed the symposium on the aspects distinguishing an great business from a good business. On the left is Ms Rona Beukes of the National Crop Estimates Committee of the Department of Agriculture, Forestry and Fisheries, and Dr John Purchase, executive head of Agbiz and a speaker at the symposium.

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