



SOUTH AFRICAN AGRICULTURAL PROCESSORS ASSOCIATION

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PRESS RELEASE

FOOD PRICE CRISIS

The S A Agricultural Processors Association has come up in support of Government's view not to directly intervene in the market mechanisms in resolving the high food prices in South Africa. *'The whole world is struggling to deal with this issue'* Jannie de Villiers, Executive Director of the S A Agricultural Processors Association said. *'In one country you'll find protests by consumers/workers because of high prices and the other country has actions by farmers complaining about low Government controlled prices or export bans.'*

The Agricultural Sector Value Chain has been very actively involved in developing new initiatives together with Government on how to increase food production in South Africa. *'We need to become net exporters of food again'* De Villiers said. 2007 was the first in the last two decades that our agricultural imports exceeded our exports.

The private sector role players need to take up the challenge and responsibility to invest in more production capacity and Government needs to create a reliable policy environment that attracts investments and the market will do the rest. The other government responsibility is to provide direct assistance to the poor and needy. *'The quickest and easiest way is to increase the current social grants. It is working well and is immediately available – even if it is just a temporary increase'* De Villiers said.

Directors: N A Ntsele (Chairman) G P N Kruger (Vice-Chairman)
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Executive Director: J F de Villiers

There are also a lot of goodwill from individual companies and other organisations which play an important role through feeding scheme assisting the poor!

Rail infrastructure

Agricultural processors are also welcoming Government's decision to revive the railway infrastructure and services. *'Annually we need to transport \pm 13 million tons of grains and oilseeds to our mills and feed plants. Of this quantity we estimate that at least 60% is being transported by road. This is \pm 1 000 trucks per day on our roads'* De Villiers said. In the 1980's 80% of all grain and oilseeds were transported by rail. It is still the preferred way of transport if it is done efficiently.



Railway lines in the Krugersdorp Industrial area

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