

# Agbiz continues to engage with government and Eskom on load shedding challenges

The Agricultural Business Chamber of South Africa (Agbiz) says that severe load-shedding has increased food security risks in South Africa, and financial pressures on farmers, agribusinesses and the value chain role players, adding that while the risk is great, statements on food security should only be made from an evidence base. As such, the association has conducted a survey across all the sectors and the results are currently being analysed by a joint team of experts.



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"The survey will inform possible interventions that government and private sector representatives are formulating to ensure a sound approach. The results of which will help enrich the response approach for the sector," says Theo Boshoff, Agbiz CEO.

The association has also been engaged in various meetings with the Department of Agriculture, Land Reform and Rural Development, and Eskom to find ways to ease the pressure on agribusinesses.

Boshoff says that Agbiz is also calling for less severe load shedding in irrigation areas and food-processing facilities.

## Farmer sector challenges

"In crucial field crops, roughly 20% of maize, 15% of soybean, 34% of sugarcane and nearly half of the wheat production are produced under irrigation, which faces severe challenges due to persistently hot and dry conditions, coupled with constrained ability to irrigate. Fruits and vegetables also heavily rely on irrigation and thus face similar challenges.

"Similarly, in the dairy industry, aquaculture, red meat, poultry, animal feed manufacturing and piggeries, there are also concerns that load shedding beyond stage two makes operations and planning challenging, as these industries all require continuous power for their usual activities.

"Agribusinesses face similar challenges in various downstream processing activities, such as milling, bakeries, abattoirs, wine processing, packaging, and animal vaccine production, says Boshoff.

This means, says Boshoff, that continued engagements with Eskom to lobby that load shedding does not exceed stage two or three is critical for the near term, and to develop contingency plans that allow greater predictability should outages be unavoidable so that companies may plan their operations around a more predictable schedule. "The sector will also explore the path for renewables, and this might need government assistance, subsidies and revisions to the regulatory framework," concludes Boshoff.

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