

DAY ZERO: Fear and anger vs. challenges and opportunities

By Andries Theron, chairman, PRF

With the Western Cape caught in the grips of an extreme drought – the worst in over one hundred years – and with Day Zero quickly advancing amid heightening fears, people are reacting in different and interesting ways. As leaders in the oilseeds industry, we can learn a lot from these reactions.

Being a farmer from Moorreesburg in the heart of the Swartland, I have first-hand experience of the impact that the drought has had on my community – fear has triggered mass sales of water tanks, large containers and bottled water. This is also the perspective usually portrayed by the media.

Real effect of the drought

Unfortunately, this is merely one part of our reality. I will refrain from commenting on opportunistic statements by political parties, but it is a pity that party gain is becoming a greater priority than the needs of South Africans.

The real effect of the drought in the Western Cape is its impact on the livelihood of the residents: farmers are losing hope and enormous carry-over debt is jeopardising cash flow and sustainability. This is the experience of not only the winter grain producers, but also of those with permanent and cash crops. The impact on seasonal workers is vast – income has been reduced (or completely forfeited) because of small or no crops, resulting in households without income. This, in turn, creates enormous social challenges.

Creating opportunities

This catastrophic situation is not without irony, since the fear among some is creating opportunities among others. Entrepreneurs are developing grey-water

systems, moisture is being harvested, and many highly innovative ideas are being put into practice.

Which brings me to the real responsibility of and challenge facing role-players in the oilseeds industry: thinking creatively, climbing out of one's comfort zone and creating a sustainable value chain from the farm to the table. The Western Cape is not the only province with growth potential. The real growth lies waiting in the northern parts of the country, specifically the western regions.

In this case, the opportunities are not created by the drought, but rather by 2017's bumper maize crop, and with normal rainfall later in the season, most probably an average crop for this season. This alone will keep maize prices under pressure, with the same devastating results as the drought in the Western Cape.

Oilseeds have the potential to stabilise this uncertain situation by taking its rightful place in crop rotation systems. This will bring balance to the supply of both commodities and create a sustainable production system for maize and oilseeds, benefiting producers and the entire value chain.

Oilseeds can fill the void

The Western Cape faces the exact same challenge. Wheat production must be brought in line with demand and consumption, which is 300 000 tons lower than current production. This presents an opportunity for oilseeds to step in.

The challenge in triggering this growth, requires innovative thinking and a pragmatic approach. We will have at our disposal all the right cultivars after the implementation of an end-point royalty system for soya beans. We have the necessary expertise and knowledge of production practices

and production systems, and we have enough crushing capacity and off-takers for substantial growth in the oilseeds industry, both in the north and south.

What is needed now is for all role-players in the industry to take up the responsibility and convey a positive message to farmers regarding a sustainable win-win solution. In addition, they must, where needed, transfer as much technological information as possible, become involved in farmers' days and training, and address research needs when required. A positive outcome is possible, and we can experience phenomenal growth in the oilseeds industry within the very near future.

While the focus is on delaying or preventing Day Zero in the Western Cape, a more positive 'day zero' – one where South Africa's hefty reliance on imported oilseed products will be replaced by increased self-sufficiency – is fast approaching. 🌱

