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MINISTER DIDIZA HAILS THE SIGNING OF THE POULTRY MASTER PLAN WHICH AIMS TO CREATE MORE JOBS

Agriculture, Land Reform and Rural Development Minister, Ms Thoko Didiza, MP has welcomed the signing of the Poultry Sector Master Plan during the 2nd inaugural South African Investment Conference in Johannesburg yesterday.

The Minister believes that the plan will provide a framework for a determined effort to grow jobs in the industry through a number of measures that will be implemented over a number of years.

The plan has been developed in a close partnership between government and a number of stakeholders in the industry; drawn from poultry producers, farmers, processors, exporters, importers and organised labour.

"Significantly, it sets out a new joint vision across the value-chain, identifies five pillars that underpin the vision and creates a Poultry Sector Master Plan Council to monitor and drive implementation of the pillars" said Minister Didiza.

Reacting after signing the Masterplan with all stakeholders Minister Didiza said; "to support the outcomes of the Masterplan, chicken producers are committing R1.5 billion in fresh investment in their own production facilities within the next four years towards the investment drive. This is expected to result in nearly 4 000 additional jobs in the production of chicken in pursuit of these outcomes."

In addition she said, we expect R1.7 billion of investment in the establishment of 50 commercial scale contract farmers - this investment will be supported by the industry and various government agencies.

The Poultry Sector Masterplan seeks to address challenges through a combined strategy which will:

1. Continue to increase the consumption of chicken in absolute terms, and on a per capita basis.

- 2. Ensure that locally produced product makes up an increasingly larger proportion of consumption over time.
- 3. Expand the industry by increasing capacity at all stages of the value chain manufacturing of feed, farming of chickens and processing of poultry product thereby increasing fixed investment, employment and the value of output. In particular:
 - a. The output of poultry products to increase by 10% within 3 years.
 - b. The demand for poultry feed to increase by 300 000 tons per year which will support the maize and soya industries
 - c. 50 new contract farmers to be established within three years, each operating at a commercial scale and supported by the industry
- 4. In order to achieve this, government and industry will work together to revamp our certification systems so that we are able to meet the requirements of the major importing countries.
- 5. Increase the level of black participation and particularly ownership across the value chain and increase employment and worker share-ownership in the sector.

The poultry sector plays a key role in South African life. It provides an important, affordable source of protein for millions of households, and is a staple of the South African dinner table.

It is a pillar of the agricultural economy, adding value to our maize and soya crop, and serving as a key customer of the farming sector, including a significant number of emerging farmers.

However, production has been static for the last decade despite the fact that consumption has continued to grow. This has happened because imported poultry has come into the economy in large quantities, displacing South African meat especially at the lower end.

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