

SOYA

Record soya crop needs more local value-adding

IT IS IRRATIONAL TO EXPORT SOYA BEANS TO be processed outside the country, only to be imported as oil cake and vegetable oil, said Grain SA chief economist Nico Hawkins. South Africa imports about 1 million tons of protein annually, mostly as oilseed cake, of which about 80% is soya, and about 500 000t is edible oil.

This year, a record South African soya bean harvest of 490 135t is expected for the 2008/09 production season. The harvest was produced on 237 750ha, the second-largest area planted to the crop in South African history, according to the Crop Estimates Liaison Committee (CELC).

The South African Grain Information Service (Sagis) said producers already delivered 467 800t on 30 May 2009. The previous record was 424 000t on 240 570ha in the 2005/06 season.

"Despite high local demand for oil seed cake, 15 000t of the expected harvest will be exported this year," said deputy chairperson of Grain SA's soya bean specialist working group Frans Potgieter.

"A large percentage of local production is used in the animal-feed market, but more value should be added to soya locally by processing it for human consumption," said Hawkins.

"The problem is the lack of local processing capacity. There's a definite market for soya-bean processing in the country and I have no idea why it isn't extended. The local soya bean price is too low, otherwise we wouldn't export our soya beans to be imported again in processed form."

The Safex futures market for grain and oilseeds show that the gap between the price of soya beans and maize has widened in favour of soya beans. The price for yellow maize currently hovers around R1 400/t compared to soya bean prices of R3 400/t early in July.

In the past, the prices roughly followed a 2:1 ratio in favour of maize.

The record harvest underscores the Protein Research Foundation's (PRF) drive to double South Africa's soya bean production over the next five years, said PRF chairperson Gerhard Scholtemeijer.

"New drought-, disease- and nematode-tolerant, high-yielding soya bean cultivars are on their way from Brazil and Argentina for yield trials in South Africa in the 2009/10 season," he added.

This will encourage and challenge farmers to introduce soya beans, in rotation with maize, for increased production and profit margins. – *Annelie Coleman*

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