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Developments in the protein world are crucial to the feed sector

The Animal Feed Manufacturers Association of South Africa (Afma) wishes to congratulate the Oilseeds and Protein Development Trust (OPDT) and the Protein Research Foundation (PRF) on their initiative to formally establish the *Oilseeds Focus* magazine. This publication addresses the much-needed demand for an official mouthpiece for the South African protein industry.

The magazine will focus mainly on:

- Information transfer regarding news, commodities, markets, policy and events.
- Technology transfer regarding techniques and equipment, agronomic practices, research and successes.
- Marketing and promotion of the oilseeds industry, its commodities and industry issues.

With these focus areas as its core and others opening up as *Oilseeds Focus* grows, the publication will play a pivotal role in the development of the oilseeds industry and its entire value chain. One such example is the current Soya Development Strategy promoted by the Department of Trade and Industry (DTI). This strategy is aimed at growing local production on the primary side, while at the same time developing the offtake and processing capacity on the soya crushing side of the industry.

By implementing the strategy, local soya bean

meal (SBM) production (*Table 1 and Figure 1*) has increased by almost 500%. Crushing capacity has increased from an estimated 600 000 tons in 2012 to an estimated 2 100 000 tons in 2014, clearly proving that the strategy and policy instruments are able to change and contribute positively to the entire value chain. Market forces indicate that local soya bean meal is becoming available at more competitive prices, thus replacing a large portion of imported SBM.

Looking ahead, the National Development Plan (NDP) was given high priority in the recent State of the Nation Address. As part of the NDP, the Agricultural Policy Action Plan (APAP) of the Department of Agriculture, Forestry and Fisheries (DAFF) was approved by Parliament as the operational implementation plan of the agricultural portion of the NDP.

Drivers of economic growth

The APAP comprises several identified agricultural segments such as the red meat, poultry, wheat, soya and the fruit industry – which will lead as drivers of economic growth and job creation in the agricultural sector. These agricultural segments will form value chain round tables (VCRTs) to act as the segment's engine room where all planning, coordination, liaison and execution will have to take place.

The South African poultry industry was identified as one of these segments and will include all value chain links feeding into the delivery of the final product at the most competitive price.

Naturally, the major cost component of the poultry producer, namely animal feed and its ingredients (70 to 80%), will receive a great deal of attention. The animal feed industry and ingredient suppliers such as the soya and maize value chains, will have to be innovative in tabling new strategies.

The animal feed and soya value chains anticipate that *Oilseeds Focus* and its sources will play a major role in bringing beneficial information, science, knowledge, research and best practices to the Poultry VCRT. 🍌

Table 1: National soya situation, 2008 to 2016.
(Source: AFMA Chairman's Reports.)

| Tons | National soya bean production | ** National SBM from crushing | ** National SBM imports | ** National SBM available |
|---------|-------------------------------|-------------------------------|-------------------------|---------------------------|
| 2008 | 205,850 | 115,200 | 904,214 | 1,019,414 |
| 2009 | 506,595 | 93,600 | 925,270 | 1,018,870 |
| 2010 | 511,000 | 103,520 | 829,000 | 932,520 |
| 2011 | 546,000 | 152,000 | 989,112 | 1,141,112 |
| 2012 | 710,000 | 227,200 | 922,498 | 1,149,698 |
| 2013 | 650,000 | 364,000 | 728,150 | 1,092,150 |
| 2014 | 784,000 | 445,600 | 610,021 | 1,055,621 |
| 2015*** | 944,340 | 538,274 | 549,019 | 1,087,293 |
| 2016*** | 1,110,550 | 610,803 | 550,000 | 1,160,803 |

** For the year April to March (AFMA stats year).
*** Estimates.

Figure 1: National soya situation: Comparison of soya bean production, national SBM crushed and SBM imported, 2008 to 2016.

