

PRESS RELEASE

(for immediate release)

THE RED MEAT INDUSTRY EXCITED BY THE BUDGET

The Red Meat Producers' Organisation (RPO) gratefully has taken note that R495.10 million was allocated to the Department of Agriculture, Land Reform and Rural Development to promote bio-security and exports.

"The outbreak of foot-and-mouth disease last year was a major setback for the red meat industry and had a negative impact on exports in particular", said Mr Koos van der Ryst, Chairman of the national RPO.

We have worked hard to get exports back on track and have been successful in re-opening several export markets, of which the Chinese market is one of the most important", said Mr Van der Ryst.

Allocating this amount to promote bio-security and exports will make a significant contribution to building trust with our trading partners and promoting exports during the time South Africa lost its foot-and-mouth free zone status. We trust that a substantial portion of the budget will be used for foot-and-mouth control.

We have the highest quality red meat in the world and our producer prices are 30% below the international norm. The South African red meat industry is internationally competitive and exports benefit all the players in the value chain.

The industry is currently working very hard to implement a traceability system for the industry to build trust in our product and build trust with our trading partners.

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"The RPO noted with gratitude that R40 million has been earmarked in the budget for the next 3 years to implement an identification system that paves the way for traceability. A plan has already been developed in collaboration with the Department and we can now start implementing", said Mr Van der Ryst.

This will be a team effort between the industry and the Department. The RPO is also excited that R130 million has been budgeted for inspection and laboratory services that will ensure local and international monitoring. R45 million has also been allocated over the medium term for the implementation of microbial and anti-microbial monitoring and pathogen residue programs.

The R1.2 billion allocation to the Land Bank to finance emerging farmers with the goal of establishing 450 black farmers annually is good news as the industry is 40% transformed and developing red meat producers have great potential to increase production.

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