

Agricultural exports a primary objective - Gordhan

Public Enterprises Minister, Pravin Gordhan has moved to assure the agricultural sector that Transnet's primary objective is to ensure the export of agricultural goods in the face of the ongoing global supply chain and logistics crisis.



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Shipping, storage, logistics and manufacturing issues continue throughout the world, as the knock-on effect of the Covid-19 pandemic, its subsequent lockdowns and resultant closures of large scale manufacturers and related industries begin to take hold.

Gordhan was speaking during the conference of one of the country's biggest farmers' organisations, Agri SA.

"The logistics issue is one that impacts on you as exporters. From a Transnet point of view, setting up a logistics sector to support the kind of growth and extremely good crops that sub-sectors within the agricultural sector have experienced in the recent past and the encouragement of exports, is a primary objective," he said.

The Minister said his department will be engaging with Transnet to ensure that it ramps up its services.

"We will continue to ask our colleagues at Transnet to make more facilities available, and also to increase the efficiency of the logistics system far more substantially than might have happened until now," Gordhan said.

He said the agricultural sector provides “an important opportunity for growth” in the country’s economy and that it is the “cornerstone” of the country’s Economic Reconstruction and Recovery Plan.

Last month, Statistics South Africa’s Gross Domestic Product numbers showed that the sector has contributed at least 0.2% to GDP growth due scaled-up production.

"There are many opportunities that are available to us as a country and as an economy. The agricultural sector has an important place within the GDP of this country, although it might be numerically low but the potential is quite great," he said.

Gordhan said Transnet is looking at new innovations in the future, which would benefit those who use its services.

"These could involve private and public partnerships, it could involve concessions in relation to branch lines, terminals – both inland and in respect of ports [and] the ownership of wagons by different sectors of our economy. These are new areas which should be up for further engagement between Transnet and [the agricultural sector]," he said.

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