



MEDIA STATEMENT

FOR IMMEDIATE RELEASE

TO: ALL MEDIA/NEWS EDITORS

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SAFDA HANDED OVER A SPILLER TODAY TO MAKHATHINI SMALL SCALE FARMERS

The South African Farmers Development Association handed over a Spiller to the Makhathini Leadership farmers at the Port of Durban today. The Spiller is a result of a plea that was made by the farmers to the Department of Agriculture, Land Reform and Rural Development (DALRRD) after Tongaat Hulett Sugar (THS) will not be able to continue with the road transport subsidy for the Makhathini small scale farmers. The DALRRD agreed to fund the operationalization of Mkhuze siding to a tune of R30 Million to support the small-scale farmers for the transport of their cane by rail to the Felixton mill, hence also increasing cane throughput to the sugar mill. This Mkhuze rail siding project will assist about 1900 Makhathini small scale farmers who have been struggling for some time now.

Jobs will be created during construction and operations of this project. Construction jobs will also be created as the project moves forward with civil works over the next 2 to 3 months. Once construction is completed, operational jobs will be created for spiller operators, road weigh bridge clerks, spiller and weigh bridge cleaners, wagon cleaners, mobile cane loading machine operators, rail tractor operators, security, and site supervisor. A minimal of 20 operational jobs is expected to be created at the Mkhuze rail offloading facility. Local businesses will benefit from civil, structural, mechanical, and electrical procurement such as in building materials and steel work, machinery, and equipment (tractors, generator, excavators, bell loader, weigh bridge and office building materials) and lighting and electrical installation.

Bosch Holdings has been appointed as the consulting design engineers to the project, and the design has been completed. Timing of this project is critical to the livelihoods of the Makhathini small scale farmers, as the farmers need to shift from road to rail at the start of the 2021 sugar season, so that their cane is not left stranded in Makhathini. This project would support a reduction in the volume of trucks on the road especially on the N2 north of Richards Bay to the Jozini off ramp which is single lane each direction.

The Makhathini sugarcane farmers of which there are over 1900 farmers are currently transporting their cane by road to the Felixton sugar mill and are currently paying R170 per ton with the rest of the costs covered by THS subsidy. With the new transloading station, their total costs will reduce to R112 per ton. At approximately 117 000 tons of sugarcane from Makhathini currently per year, this equates to a total saving of R6.8 million per year for these small-scale farmers. Over time as the cane production potential increases for the Makhathini farmers delivering 350 000 tons using the new transloading facility would save the Makhathini small scale farmers R16 million per year.

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