



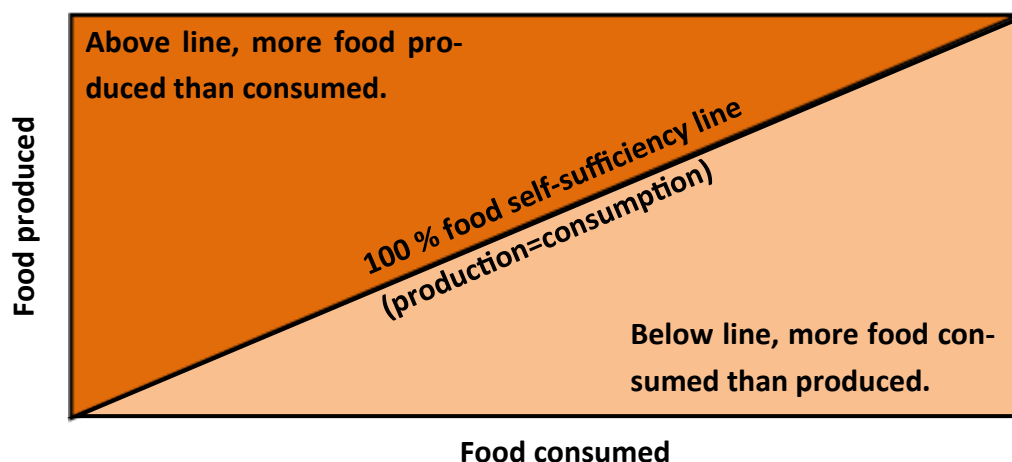
SELF-SUFFICIENCY INDEX

Directorate: Statistics & Economic Analysis

This is a bi-annual information leaflet by the Directorate: Statistics and Economic Analysis. The aim of the publication is to inform decision makers on the extent to which South Africa is food secure. The production of sufficient volumes of agricultural commodities forms an important part of food security in South Africa. Thus, selected commodities has been identified that will be addressed in this volume, namely maize and wheat. Future issues will focus on other commodities like oilseeds (sunflower seed and soybeans), as well as red meat.

What is a Self-sufficiency Index?

The concept of food self-sufficiency is generally taken to mean the extent to which a country can satisfy its food needs from its own domestic production. This understanding is illustrated in the diagram below, whereas the diagonal line indicates 100% food self-sufficiency, i.e. where food production is equal to food consumption.

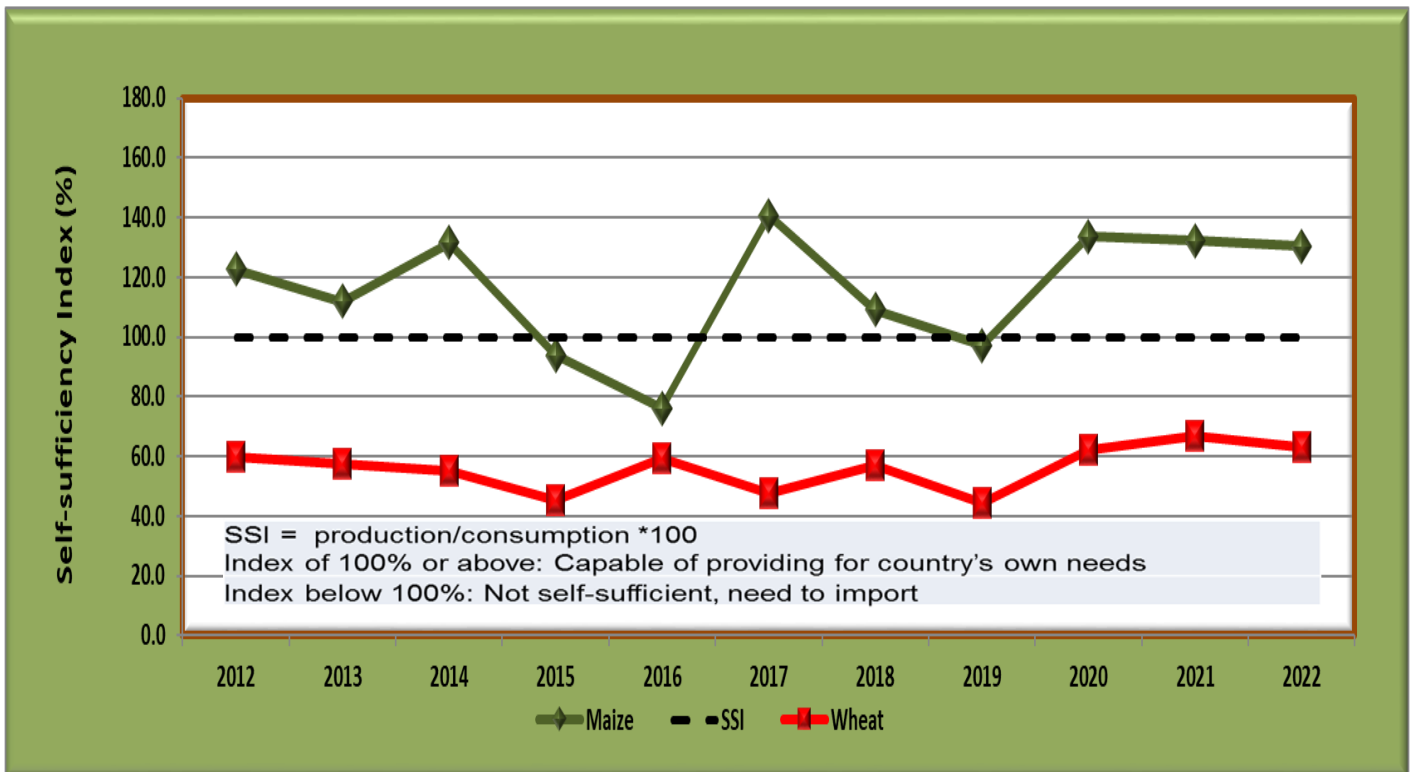


The key point is that if a country is food self-sufficient, it produces an amount of food that is equal to or greater than the amount of food that it consumes. The self-sufficiency index (SSI), expresses food production as a ratio of consumption.

Maize and Wheat:

South Africa has the capacity to be self-sufficient in most agricultural products. In most years, South Africa produces a surplus over the domestic consumption of the main staple crop, maize; historical exceptions to this have largely been the result of droughts. However, South Africa does rely on imports for some significant agricultural products, including wheat. Approximately forty to fifty percent of the country's wheat requirement is imported.

SSI of maize & wheat, 2012 - 2022



Maize : As South Africa is producing sufficient quantities of maize to satisfy local consumption, thus resulting in a positive SSI (SSI>100). The average 10-year index value (2012 to 2021) of maize is 115. The surplus of maize (white) is usually exported to neighbouring SADC countries.

The index value of maize for 2022 is 130, which is slightly less (1,5%) than the index value of 2020 (132). This decrease can mainly be attributed to the smaller commercial maize crop of 2022, which is 4,9% lower at 15,5 million tons, as compared to the larger crop of 2021 of 16,3 million tons. The 2022 maize crop is also the third largest maize crop on record, following the 16,8 million ton crop in 2017 and 16,3 million ton crop in 2021. The smaller maize crop contributes to a smaller production figure as compared to the consumption of maize, resulting in a lower SSI value for 2022.

Over the past 10 years, South Africa maintained an average marginal growth rate of about two percent per annum in the commercial consumption of maize. This trend is mainly driven by increased demand through population growth and expansion in the local broiler industry to serve the local market. White maize, in the form of a meal, is the staple food for many South African households, especially for lower income consumers, as it is a relatively inexpensive source of carbohydrates. Yellow maize is used as the primary ingredient for animal feed, especially in the broiler industry. Chicken meat has grown to be the most important protein source in the diet of the majority of South Africans over the past 20 years. South Africa's economic growth outlook over the medium term remains lackluster due to prevailing policy uncertainty, structural constraints, including continuous power outages and growing pressure on consumer spending due to rising inflation and interest rates. The struggling domestic economy will hinder any major upsurges in the demand for maize, especially with the current relatively high commodity price environment (Source: FAS Gain and Feed Annual Report)

Wheat:

Wheat is the second most important grain commodity consumed in South Africa after maize. The annual per capita consumption of maize is the highest at 75kg/person, followed by wheat (48kg/person) and rice (17kg/person). South Africa consumes approximately 2,2 billion loafs of bread per annum or 37 loafs of bread per person per year.

South Africa is regarded as a net importer of wheat as local production is not sufficient to satisfy local consumption, resulting in a negative SSI ($SSI < 100$). The average 10-year index value (2012 to 2021) of wheat is 56.

The index value of wheat for 2022 is 63, which is 6,0% less than the index value of 2021 (67). This decrease can mainly be attributed to the smaller wheat crop, estimated at 2,1 million tons for 2022 as compared to the 2,3 million tons of 2021. The main contributors to the decrease in wheat production was the lower yields that realised in especially the Western and Northern Cape, as well as Free State provinces. More than 60% of wheat produced in South Africa is planted in the Western Cape Province. The 2022 wheat crop is the smallest since the 2019 wheat crop of 1,5 million tons .

The smaller wheat crop contributes to a lower production figure as compared to the consumption of wheat, resulting in a lower SSI value for 2022.