MINISTER
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Media Statement

MINISTER STEENHUISEN DEMANDS URGENT ACTION TO ADDRESS MATLOSANA MARKET CRISIS

Today, the Minister of Agriculture, Mr John Steenhuisen, expressed his grave concern over the growing crisis at the Matlosana Fresh Produce Market, which is the result of the City of Matlosana Local Municipality's ongoing non-compliance with a high court order issued over four years ago.

The court order, that was issued in March 2021, mandates that 95% of daily produce sales revenue be transferred to registered fresh produce market agents within 48 hours. Fluctuating and inconsistent payments by the municipality have destabilised operations at the market where at one point, arrears owed to market agents had climbed to a staggering R7 million in August 2025.

Owing to this continuous failure, market agents are being forced to pay the municipality's debt in advance to producers from their own trust accounts. They also risk being in breach of the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992) as they cannot meet their statutory obligation to pay producers within five business days. Furthermore, major suppliers have already withdrawn produce worth millions, threatening the market’s viability and food security.

“The failure of a public entity to obey a clear high court order and uphold its fiduciary duty over trust monies is unacceptable and directly undermines confidence in the regulated market system.

“We require immediate, decisive action from the regulatory body to protect our producers and agents,” the minister stated.

Previous communication

As part of efforts to resolve the crisis at the municipal level, Minister Steenhuisen wrote to the Minister of Trade, Industry and Competition, Mr Parks Tau and the Minister of Cooperative Governance and Traditional Affairs, Mr Velenkosini Hlabisa, alerting them to the City of Matlosana Local Municipality’s failure to comply with the high court order and the severe consequences thereof. Minister Hlabisa has indicated that the Department of Cooperative Governance and Traditional Affairs’s Directorate: Local Government Operations and Support (LGOS) held a meeting with the Matlosana Fresh Produce Market on 29 September and he is expecting to receive a report from LGOS by the end of the week.

Minister Steenhuisen also escalated the issue to the national regulatory body, the Agricultural Produce Agents Council (APAC), requesting an urgent and comprehensive regulatory response, including the following:

- An assessment of the municipality’s continued role in administering trust monies given its repeated breaches;
- Consideration of measures to protect agents and producers from further prejudice, including whether interim controls or oversight over the Freshmark system should be instituted; and
- Advice on potential amendments or enforcement actions required under the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992) to prevent recurrence of such failures.

APAC indicated that they would respond soon to indicate the proposed way forward. Minister Steenhuisen stressed that: “The collapse of a regulated market system such as Matlosana would not only harm producers and consumers in the region, but also erode confidence in the broader national fresh produce market framework.”

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