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**Keynote Address by Mr John Steenhuisen, Minister of Agriculture at the Grain SA Award Ceremony – Grain Producer of the Year, Birchwood Hotel, Gauteng, 31 October 2025.**

Dr Tobias Doyer, CEO of Grain SA,  
Farmers,  
Our friends in agriculture,  
Ladies and Gentlemen,

What an incredible harvest we had this season! Our total grain and oilseed harvest, that is still being harvested, amounted to just over 23 million tons, representing a phenomenal 30% increase from last year. It is truly an incredible achievement! As the Minister of Agriculture I, of course, have dibs on the bragging rights.

With our maize harvest alone, at a staggering 16,33 million tons, we are well over our national need of 12 million tons. This success secures our food supply and positions us strongly as a key regional supplier. Well done! You are truly an asset to our nation.

Not only do you feed our nation but you also bring in crucial foreign currency, stabilise our trade balance, and create tens of thousands of jobs. You are the vanguard of South African agriculture, and your resilience in the face of immense challenges is deeply appreciated.

Tonight is a night of celebration, but we must speak about the reality that accompanies this abundance. The forces that bring great news to our consumers create real hardship for you, our producers.

We are facing an immense financial squeeze that is hitting your bottom line from two opposing directions:

- Lower output prices: When we produce a surplus this large, supply naturally pushes commodity prices down. The resulting lower commodity prices are great for the consumer. They help moderate food price inflation, but they directly reduce the revenue you earn per ton.
- The other one is higher input costs: At the same time, you are battling a serious surge in operational costs. We are seeing major challenges with higher fertiliser prices, along with elevated costs for fuel, equipment and labour.

When the money you get from selling your crop is low, but the cost of growing it is high, the financial consequence is immediate: your profit margins are severely squeezed, or worse, wiped out.

I would also like to highlight the particular pressure that South Africa's wheat producers are facing: not only do producers face low commodity prices, they also face a ridged policy environment not focused on long-term sustainability. This hurts producers and consumers of South Africa (Pty) Ltd. If we were to lose our wheat producers due to current circumstances, South African consumers would spend an additional R643 million just to have the same quality bread on the table.

This is not unique to us as highlighted by the Federal Reserve Bank of Minneapolis. The financial distress faced by farmers in the American Midwest, where falling grain prices have led to collapsing incomes and debt, is a stark reminder. This example from Minnesota shows clearly that high production volume is worthless if prices are too low to cover the cost of production. We feel your pain because it's a global problem.

So, what are we doing?

Colleagues and friends, I believe that the best way for us, as Government, to support our farmers is to empower South African producers to be as competitive as possible. This means ensuring access to the best and safest new breeding technologies and creating an environment that encourages investment in innovation, both from local and international partners, as we've seen in the strong collaboration between the Agricultural Research Council (ARC) and Syngenta.

It also means improving logistics at every level: local, provincial and national, and continuing to open up new international markets. Over the past year, the Department of Agriculture has been engaging with many countries to prioritise our exporting farmers.

Above all, we must focus on regulatory efficiency, so that progress in agriculture is not held back by unnecessary red tape. These priorities align strongly with the goals of the Agriculture and Agro-Processing Master Plan, which remains our shared roadmap for growth and competitiveness in the sector.

Friends, agriculture remains one of South Africa's most strategic assets.

But it will only stay that way if we continue to protect our competitiveness, strengthen our institutions, and support those who produce our food. I give you my word that this government will not stand by while our producers face rising costs, collapsing margins and unnecessary red tape.

We will work with you, not above you, to ensure that South African grain remains among the most respected in the world.

Let us keep the spirit of partnership alive, because together we can weather any storm and secure a future that is both profitable and proudly South African.

Thank you.

End.