

Sugar imports leave a bitter taste in local industry

There is a need for the local sugar industry to consider diversifying its product offering if it is to remain a viable industry that is able to create jobs, says the Department of Trade and Industry (DTI).



jakob5200 via [Pixabay](#)

"There is a need for the SA sugar industry to consider diversifying its product offerings and to look at bio-based niche product markets in order to increase sustainability, grow the revenue source and contribute as a transformed, competitive and profitable job-creating industry," said the department.

The local sugar value chain has been impacted by imported sugar products.

On Friday, 26 April 2019, the South African Cane Growers Association (SACGA) met with DTI Minister Rob Davies to discuss the impact of imported sugar on the sugar value chain in South Africa in general and on sugar cane growers in particular.

Cane growers indicated that the increases in sugar imports have an unavoidable impact on the competitiveness of the South African sugar industry.

In addition, the industry has suffered a reduction in sales to the beverage sector, which is moving away from sugar.

"Exploratory discussions about finding solutions led to the recommendation that the industry as a whole needs to propose a long-term vision and industrial plan that takes into account the impact of global developments and the shifting landscape in the sugar industry.

"Both the department and the SACGA agreed that there is a need to urgently address the potential threats associated with an increasing replacement of local sugar with imports, particularly with unemployment. The meeting agreed to seek rapid solutions to the challenges facing the sugar industry focusing on short, medium to long-term plans."

Meanwhile, it was agreed that the tariff support provided to the industry should be complemented by improving the competitiveness of the domestic industry to ensure its long-term continued viability.

For more, visit: <https://www.bizcommunity.com>