

# SASCA brief the Portfolio Committee on Trade and Industry

Wednesday 31<sup>st</sup> August

Presented by Mr. A.Gore, Mr. N.Osman and Dr H. Cassim

The South African  
Sugar Converters  
Association:

# SASCA



- The South Africa Sugar Converters Association, SASCA, was established in April 2021
- We are comprised of members who manufacture confectionary products or “convert” sugar into added value products
- We have over 20 member South African owned companies
- The industry has an estimate of 20 000 directly employees and over 200 000 indirect employees



## Our Mission

- To create a sustainable confectionary industry that positively contributes to the growth of the South African economy

# Size of the confectionary industry

Euromonitor reported that in 2021 the industry generated over 17 Billion Rands

2021

2024

It also estimates that by 2024 the industry will be worth over 26 Billion Rands.



# Challenges we face

- Inadequate support for our industry
- Unacceptably high sugar tariffs with exorbitantly high local sugar price
- Ingrain the sole supplier of glucose just raised its price by 30%
- Electricity interruptions, damaged infrastructure, instability and road blockages
- SASA the lobby/industry representatives have failed to negotiate or come to the table
- Our sector has until recently been ignored, we need government support
- Companies are shut or moving their manufacturing abroad
- A lack of clarity regarding SASA's role, including failing to meet undertakings and account for their failures to deliver- currently we are in a dispute with them.

# Attempts to get relief or support

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We had called on SASA to negotiate a rebate on the sugar used by South African owned smaller/medium players

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We have requested a rebate for exports, currently the rebate on exports has been reduced significantly

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We have reported Ingrain to the Competition Commission and informed the minister

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We have reported to the minister of DTIC that the sugar industry has failed to fulfil the undertakings by raising prices above CPI

# Way forward

- We call on parliament to assist in holding stakeholders to account
- To consider the jobs and economic value chain in our sector
- Consider beneficiation and building South African brands internationally as well as import replacement
- Engage smaller players like SASCA, on an ongoing basis so that the challenges be addressed.
- Recognize that sugar converters and manufacturers have huge potential to grow South Africa's agenda



“STOP HIKING SUGAR PRICES”

Thank you