**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 877 / NW1000E**

**MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES:**

**MR W M MADISHA (COPE) TO ASK THE MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES:**

**QUESTION:**

1. Whether his department is continuously monitoring increases in the price of basic foodstuff in the period 1 March 2015 to 31 March 216 and is therefore implementing special measures to keep the price of maize meal, for example, at an affordable level so that people did not starve during the approaching winter; if not, why not; if so, what are the relevant details;
2. Whether he will make a statement on food security in the country over the next nine months; if not, why not? NW1000E

**REPLY:**

1. The NAMC monitors food prices at retail level and releases regular authoritative reports. The Department of Agriculture, Forestry and Fisheries established the Food Price Monitoring Committee (FPMC) at the NAMC to track and report on food price trends in South Africa and also to provide explanations on the observed trends and advise the department on any possible action that could be taken when national and household food security is threatened. The FPMC was established after the high food price episode of 2000/01 season. The functions of the FPMC were assumed by the NAMC after the FPMC completed its work in August 2004. The NAMC issues four quarterly Food Price Monitoring Reports annually and, since 2005, also publishes an annual Food Cost Review, which documents the margins between farm prices and retail prices of the major food products, among other topics. In 2015, the NAMC began releasing a quarterly Farm-to-Retail Price Spread (FTRPS) publication, which seeks to provide more insight into the factors driving commodity and food price margins. This publication, the Food Basket Price Monthly Report, is a result of recent discussions with industry, and the need to keep watch on the movements of food prices on a more regular basis than the current quarterly Food Price Monitor.

Part 2 of question 1; basic foodstuffs are Zero Rated food items in relation to VAT and thus is the mechanism used to protect the poor.

1. The Minister will make statements on food security in the country at various formal occasions such as the 20-16/2017 budget vote speech and at the yearly commemoration of World Food Day on the 16th October of each year as declared by the United Nations Food and Agriculture Organisation to heighten awareness on food insecurity.

DAFF has established the Interdepartmental Food Insecurity Drought Task Team to address challenges that are posed by the current drought situation in the country.