

# Alternative energy generation: A hot potato for producers

By Phillip Crafford, Plaas Media

**W**ith no Eskom-sourced energy to power pivots during load shedding, how is one to irrigate one's crops? Producers are contemplating alternatives as the local energy crisis worsens by the day. Eskom's inability to meet energy demand has had a ripple effect in the agricultural sector. Solutions to this problem were top of the agenda at the recent Potato Industry Forum presented by Potatoes SA.

## Alternative energy

Faure van Schalkwyk, energy research engineer at Solar Power Africa, stated that South Africans will have to investigate and invest more in alternative energy solutions. He added that supermarket chain stores have spent approximately R150 million on generator fuel to remain operational and maintain their cold chains. This could have been channelled into 20 MW of solar panels without battery storage. The best alternative for this situation is hybrid systems.

Van Schalkwyk said that research into alternative energy solutions and storage is a worldwide phenomenon. Sustainable alternatives for lithium-ion batteries are being explored as current battery production isn't sustainable or affordable. He mentioned that producers can consider biogas, floating solar PV technology, and agrivoltaics. He believes a review should be done of the supply chain's energy requirements so as to identify the best energy solutions.

## Government's role

Hawie Viljoen, chief director of competitiveness incentives at the Department of Trade, Industry and

Competition (DTIC), explained the DTIC's role in the South African enterprise industry. The department is very aware of the current energy crisis and supports investment and entrepreneurial opportunities in sustainable solutions as the crisis impacts agro-processing.

Viljoen said there is a global movement towards clean energies, with \$2.4 trillion currently having been invested in it. Global technology collaborations are underway with hydrogen being an important option. To continue the drive for investment, the DTIC will offer industrial incentives to assist and guide strategic choices.

## Effect on the economy

South African economist, Dawie Roodt, commented on the effects of international politics on the energy sector. Globally, factors such as the Russia-Ukraine war and subsequent sanctions on Russia, decreasing economic growth in major markets such as China, and possible recessions all have an impact on the economy.

This, together with government's mismanagement of government institutions, has reduced the appeal of foreign investment in

South Africa. Roodt stated that, despite this situation, investment opportunities in South Africa's energy sector remain viable.

## Panel discussion

The ripple effect of the energy crisis is that producers' irrigation costs will increase end-user costs. Anlie Hattingh, eNCA news anchor, led a panel discussion regarding viable solutions to meet energy demand. The panellists were Hawie Viljoen, Faure van Schalkwyk, Dawie Roodt, Johan Erasmus of Easy Greens and Sarel Haasbroek.

The discussion focussed on alternative energy solutions and



Renowned economist, Dawie Roodt.



Faure van Schalkwyk, energy research engineer at Solar Power Africa.



Hawie Viljoen, chief director of competitiveness incentives at the Department of Trade, Industry and Competition (DTIC).



Deon van Zyl, chairperson of the Potato Industry Development Trust (PIDT).

how weatherproof they should be. Van Schalkwyk said the best answer is a bespoke solution for each business, especially considering load shedding's effect on irrigation. With 43% of the country's electricity capacity currently unavailable, it affects potato yields and profitability, added Haasbroek.

Energy supply companies (ESCOs) should be created and allowed to compete with Eskom. Roodt said that Eskom should be privatised, despite its impact on employment opportunities and income. Van Schalkwyk mentioned biogas as a viable solution, provided it provides a constant stream of energy.

### PIDT report

Deon van Zyl, chairperson of the Potato Industry Forum, gave feedback on the Potato Industry Development Trust's (PIDT) activities and objectives of the past year.

Dr Ben Pieterse (Chairperson), Nokanyo Maceba, Martin Fourie, Deon van Zyl and Gert Bester are all trustees of the PIDT. The Department of Agriculture, Land Reform and Rural Development (DALRRD), the Potato Research Committee, Potato Industry Forum (PIF) and Potatoes SA nominate individuals to serve on the committee. Trustees establish the risk and audit, bursary and PIDT transformation advisory committees to assist them with their duties. The research technical advisory committee was terminated.

The *Marketing of Agricultural Products Act, 1996 (Act 47 of 1996)* aims to increase market access for all participants, promote efficiency,



Willie Jacobs, chief executive officer of Potatoes SA.

optimise export income and enhance the viability of the agricultural sector. Van Zyl said the PIDT uses the Act to organise and grow the industry and increase competitiveness. More funds will be allocated to enhance PIF membership involvement in the potato value chain. This includes manufacturers of bags, consumers, exporters and producers.

### Potatoes SA's activities

Willie Jacobs, chief executive officer of Potatoes SA, discussed Potatoes SA and its role in the industry, including liaising with industry bodies such as DALRRD, the National Agricultural Marketing Council (NAMC) and the Potato Certification Service (PCS). It will focus on being more outcomes-driven, yet cost-efficient and content rich, and will continue supporting precision farming. Jacobs said that to remain relevant and properly assist producers, the organisation must be proactive in respect of external influences such as imports, exports and international events.

He highlighted the importance of research funding. Research projects identify methods for more energy-efficient and waterwise production and disease resistance in crops. These projects focus on water usage and quality, cultivar maintenance, and virus and disease management. Funding will also be provided for workshops and training sessions on irrigation scheduling.

The vision of Potatoes SA's marketing model is to attract new and retain current consumers. Its mission



Hein Oberholzer, chief financial officer at Potatoes SA.

is to inform, educate and inspire all involved. The intent is to style the humble spud as a tasty, convenient and versatile vegetable. The strategy hopes to open communication channels with South African retailers and pre-packers.

Potatoes SA's key deliverables on transformation, he said, will be enterprise and small grower development, farm-based training and a tertiary skills development pipeline. Jacobs invited those present to attend the seventh transformation symposium to be held on 15 February 2024.

### Financial report

Hein Oberholzer, chief financial officer of Potatoes SA, presented the PIF report and focussed on levies. The 2022/23 year represents the end of the organisation's fifth statutory period, the sixth starting in July 2023 until end June 2027. He explained the approval process for the application for the continuation and increase of levy rates.

Statutory levies are directed towards market development, research, transformation and information. Oberholzer noted that the pandemic caused a decrease in spending. From 2019 to 2023, the budget was spent as follows: 24.2% on market development, 20.3% on industry information, 25.9% on research and development, 6.4% on administration and 23.2% on transformation. 📍

For more information, visit  
[www.potatoes.co.za/  
 potato-industry-forum/](http://www.potatoes.co.za/potato-industry-forum/)

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