

2023's hours of loadshedding exceed number over whole previous decade

Horticulture among most affected by South Africa's loadshedding

South Africa is back at stage 6 loadshedding until further notice – as motorists dealing with no traffic lights well know – and agriculture shoulders a disproportionate weight of the state electricity supplier Eskom's scheduled power cuts, the Bureau for Agriculture and Food Policy found.

South Africa has had loadshedding on 248 days this year and it's exactly a year since a week went by without loadshedding.

Metal thieves also keep an eye on the loadshedding schedule to strip electricity pylons of iron while copper cable has for decades been stolen and much of it exported (a recent ban on the export of scrap metal was extended to run until the end of the year).

"Loadshedding is frightening – ten or twelve hours a day without electricity is a very heavy burden on us. The costs are astronomical," says an Eastern Cape exporter. "Diesel costs in our area ran to between R200 million and R250 million this year alone."

The drop in citrus exports can be correlated with loadshedding and outages for maintenance during November and December last year, some in the industry believe, as a result of irrigation disruptions.



South Africans import 581 million euros of solar panels in 2023

Loadshedding started almost exactly 14 years ago, costing the economy almost R35 billion (1.7 billion euros) between 2007 and 2019, [estimates Nova Economics consultancy](#).

To run irrigation pumps and cold stores, diesel generators are now in wide use but it is estimated that the cost of power from running a generator is 133% higher than that of power provided by Eskom (some put that figure at twice to three times as expensive) – and all the while Eskom's bills also need paying.

Meanwhile, doubts are growing about the government's financial reserves to pay for the amount of diesel the country is consuming.

South Africa has this year experienced more loadshedding than during the past decade. According to [Daily Investor](#), solar panel imports to a value of R12 billion (581 million euros) have been imported so far this year, which is a new record for the country.

In its monetary review of April 2023, the South African Reserve Bank noted a loss of 12% of business hours in the agricultural sector last year.

“An increase in the intensity of loadshedding (more MW not supplied) decreased the South African agricultural sector’s real GDP growth by 0.27%,” writes the Bureau for Food and Agricultural Policy in its [analysis of the impact of loadshedding on the Western Cape](#).

Given the differences in climate, it is not straightforward to extrapolate Cape findings to the rest of the summer-rainfall areas; as an example, the Western Cape is still experiencing snow while in the north early summer has definitely arrived.

But what is clear for the whole country, is that agriculture consistently is among the economic sectors most affected by loadshedding.

“Thus,” continues BFAP’s report, “on a national level, the impact of loadshedding on the economy is estimated at R9.53/kWh, with agriculture bearing 10.4% (or R0.99/kWh) of the total cost. However, when considering the contribution to GDP, the normalised cost of loadshedding for agriculture is estimated at R4.01/kWh, which shows that it is the sector most adversely affected by loadshedding.”

The BFAP study quotes a 2023 FruitSA loadshedding survey among over 200 role-players in the fruit industry across the country of whom “95% of the participants are more than 50% dependent on Eskom, with only 7% of those participants indicating a reliance of 50-80%.”

Just over half of respondents said they needed electricity 24 hours a day to run operations, typically for irrigation, fertigation and cooling purposes.

The cost to convert 500 horticultural hectares to solar energy is roughly R10 to R15 billion, depending on its use, the crop and the topography.

“It’s tough out there,” says an agricultural economist, “and banks aren’t so eager to lend as they were before.”

Industry body AgriSA estimates that South Africa’s farmers across all sectors currently have R205 billion of debts.

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