

10 April 2013

4th Global Feed & Food Congress

Opening Speech

Mario Sergio Cutait, Chairman, International Feed Industry Presentation

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Dear Honorable Prof Hlengiwe Buhle Mkhize, Deputy Minister of Economic Development of the Republic of South Africa,

Dear Dr. Berhe Tekola, Director of the Animal Production & Health Division of the FAO - my friend, and through you I would like to salute Daniela and Harinder, FAO Officers and our friends also.

Dear Mr. Loutjie Dunn, Chairman of AFMA, the Animal Feed Manufacturers Association of South Africa, dear Dr. Hinner Koster, AFMA Board Member - through you I would like to thank all of the AFMA team who worked a lot to make this dream come true. De Wet and Liesl thank you very much.

Dear delegates, speakers, sponsors, IFIF members, Feed Regulators, and my right arms Alexandra & Sebastian,

Good morning!

Welcome to the 4th Global Feed & Food Congress.

Very few of you know it, but Sun City is very very important for IFIF and the feed industry history. IFIF is 25 years old, but it was here, in 2004 that a new IFIF was born.

During an AFMA Forum, some IFIF members - Fred Stephens, Dave Bossman, Ben Courtin, myself and others met here to discuss and decide about the future of our organization. Daniela Battaglia and Andrew Speedy from FAO were here also.

And it was the first time we met you De Wet. You were still an industry man at that time. I am sure you are much happier now as an Association leader.

The Global Feed & Food Congress series was born here in 2004. In 2005 we did the first GFFC in São Paulo, Brazil.

In the previous three Congresses, we discussed Feed & Food Safety, Food Security, Sustainability and many other issues that affect feed, the whole animal protein chain and the pet food industry.

And we will continue to discuss these topics during next 3 days.

Priorities may have changed, but this is an endless process.

A process that involves not only the feed chain, but the whole food chain also.

From fertilizers & agrochemicals, to vegetable and animal genetics, to premix and compound feeds, to feed additives, traders distributors, animal health industries, poultry and swine integrators (today's largest feed producers), cooperatives, aquaculture farms, the rendering and by-products industries, farmers, and the regulators of course, the ones that control and inspect all this huge chain.

In these last years, IFIF has succeeded to represent and to be the voice of the feed industry globally, approaching and connecting the whole feed and food chain, always working towards a sustainable production.

For IFIF, sustainability means - Producing more, using less, and at an affordable cost to the human consumer!

Producing more, this is why we decided to make this Congress here in Africa.

This continent has 1 billion people.

54 countries plus some territories.

Rich in minerals and oil.

20% of the total earth's land is here.

The Economist Magazine says that Africa is the fastest growing continent just now.

Over next decade, its GDP is expected to rise by 6% per year.

In Sub Saharan Africa, real income per person increased by more than 30% over last 20 years.

The agricultural Sector accounts for about 20% to 40% of GDP in most Sub-Saharan countries and an even higher share of employment.

And you received U\$ 32 billion investment last year.

On the other hand you have huge challenges:

240 million people live with less than U\$ 1 per day.

Africa is an unequal continent.

Mal nutrition rate for Sub-Saharan countries is 42%.

The impact of poor rainfall on GDP in the region may be significant.

You have wars and political instability in some countries.

Legal rights over land are not clear.

Poor logistics and infrastructure.

And Credit availability are some of the burns here.

But when we see how big the continent is, the potential you have in production and consumption, problems become a huge opportunity.

Africa is the next food production frontier!

Just remember Brazil:

30 years ago, Brazil was a net importer of Food, Grains and Cereals.

In less than 20 years, Brazil became one of the world's main producers and exporters.

My message to you Africans

- Believe in yourselves!

And Mr. Loutjie Dunn, the Feed Industry produces around 30 million tons of feed per year in Africa. And the potential growth is very big.

So, I ask you that AFMA launch a Regional Feed Association.

You will see how important it is to enlarge the AFMA network.

And to share the common problems and face the future with one voice.

Please, do it!

Africa has an important role in the global agribusiness arena.

And to finish, I want to talk about the IFIF partnership with the FAO.

I am sure we are a success case of public- private partnership within the FAO.

IFIF is proud of that, and we want to develop it further.

Dr. Tekola, FAO recent releases and speeches talk about hunger and 2050 goals - that we need to produce 60% more food to attend 9 billion people.

These are important issues, we agree, but it not enough.

I ask FAO to change the speech:

First of all, I believe that hunger is a matter of low income. And one of the ways to increase poor people income is to Reduce to Zero the tax on food.

Developing and poor countries sometimes have higher taxes on food than rich countries like UK, USA or Germany.

This is a shame!

The FAO should make a global survey on city and state tax over food - you will be surprised!

Another issue is when the FAO talks about 60% more food by 2050:

The FAO must say that we need to produce 60% more food, but swine, poultry and beef consumption will more than double, and aquaculture production will be at least 5 times bigger than today.

And do not forget to add dairy and eggs consumption.

All of the animal protein production will grow more than the 60% number from FAO.

So the animal feed, grains and cereals, will grow together.

The globe, and mainly the consumers and consumers representatives must know it!

The Global Feed Production today is almost 1 billion tons of feed, worth more than US\$ 400 billion.

Production will continue to grow at least 3% per year.

We need you all in this room to work with us, believing in fair trade, believing in free trade, believing and defending science.

We have to say No to ideology. Science!

We need innovation, we need more investments, we need access to new ingredients, and we need strong partnerships.

With this, I am sure we feed the 7 billion humans today and will feed the 9 billion in 2050.

No doubt!

Thank you and enjoy the Congress.