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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 3114

DATE PUBLISHED: 16 SEPTEMBER 2022

Mr N P Masipa (DA) to ask the Minister of Trade, Industry and Competition:

- (1) what are the relevant details of the (a)(i) types and (ii) total tonnage of fertilisers being produced at the Foskor mine in the past 10 years and (b) full capacity of the production of each of the fertilisers;
- (2) whether the specified mine is producing at its full capacity; if not, (a) why not and (b) how are the challenges being addressed; if so, what are the relevant details;
- (3) (a) how does his department intend to ensure that Foskor is able to produce to its full capacity and (b) by what date will the specified company be able to produce to its fullest capacity;
- (4) whether the Government has a stake within Foskor; if not, what is the position in this regard; if so, what are the relevant details;
- (5) whether the specified company is for sale; if not, what is the position in this regard; if so, what are the reasons for selling the company?

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REPLY

The CEO of the Industrial Development Corporation (IDC) has advised me that the following total production volumes were achieved for the 10 year period from 2013-2022:

- Phosphate rock: 18 860 000 tons (on average 73% of capacity)
- Mono-ammonium phosphate 2 678 000 tons (on average 59% of capacity).

The Mine and acid plant had not been operating at full capacity for a number of years. Improvements to the infrastructure, power supply and additional technical capacity is required to improve production and capacity utilisation. The IDC has regularly engaged the Foskor leadership to improve operational performance and works with Transnet on logistics and Eskom on the energy related issues.

Following operational improvements made and favourable market conditions, a projected improvement in output for the current financial year is expected to increase capacity utilisation at the mine to 95% and a substantial improvement at the plant.

The IDC is the majority shareholder in Foskor, holding 59% of the Foskor shares. The IDC does consider potential Strategic Equity Partners for businesses that it is involved in.

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