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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 1761

**Inkosi R N Cebekhulu (IFP) to ask the Minister of Trade, Industry and Competition:**

With regard to the escalating crisis in the sugar industry following the liquidation of Tongaat Hulett and the threat to the April 2026 crushing season, what (a) specific engagements has his department undertaken with relevant government departments and financial stakeholders to resolve the funding impasse affecting key sugar mills and (b) contingency plans are in place to protect the approximately 15 500 delivering growers and between 3 000 and 40 000 workers whose livelihoods depend directly on the mills, should processing be halted? NW1706E

#### REPLY:

- (a) Tongaat Hulett is not currently in liquidation. The following engagements relate to the liquidation application lodged by the THL Business Rescue Practitioners (THLBRPs). In the context of the Sugar Industry Master Plan, the Department has conducted a series of targeted engagements with relevant government departments, including the Department of Agriculture, development finance institutions, and private sector stakeholders, to address funding constraints affecting key sugar mills associated with Tongaat Hulett (THL). The process has included consultations with industry bodies such as the South African Cane Growers Association (“SACGA”), the South African Farmers’ Development Association (“SAFDA”), the South African Milling Companies, the South African Sugar Association (“SASA”), and the Industrial Development Corporation (IDC), with the aim of identifying sustainable funding solutions, including



operational capital and restructuring support, to ensure the continued functioning of mills ahead of the April/May 2026 crushing season.

To date, the IDC has committed approximately R2.3 billion to Tongaat Hulett as post-commencement funding, while further funding discussions remain underway to secure ongoing operations. Furthermore, the IDC has submitted an opposing affidavit for the BRPs to withdraw the liquidation application alongside other affected persons.

- (b) The Department, in collaboration with the IDC, has facilitated engagements with industry stakeholders and business rescue practitioners to coordinate interventions and sustain operational stability. In terms of contingency planning, a range of measures has been developed jointly with the IDC and industry bodies, including the assessment of alternative milling capacity where feasible, the provision of targeted financial and technical assistance to affected growers, and continued engagement with the National Bargaining Council for the Sugar Manufacturing and Refining Industry (NBCSMRI) to support vulnerable workers.

These interventions are intended to protect the livelihoods of approximately 15 500 delivering growers and between 3 000 and 40 000 workers, while minimising disruption across the sugar value chain in the event of a halt in processing operations.

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