

BENEFITING AFRICA

DuPont Pioneer and Pannar Partner to Boost Agricultural Productivity in South Africa and Africa

DU PONT PIONEER AND PANNAR SEED



Pannar Seed (Pty) Limited (www.pannar.com) is a South African based seed business with operations throughout Africa and internationally. It has its own seed businesses in nine countries in Africa, including South Africa, and sells through established marketing networks into nine other African countries. Pannar has a unique maize germplasm library developed over 50 years for African conditions.

DuPont Pioneer (www.pioneer.com), headquartered in Des Moines, Iowa, is the world's leading developer and supplier of advanced plant genetics, providing agronomic support and services to farmers. Pioneer operations in South Africa are its largest in Africa, and include production and research facilities.

An exciting partnership

DuPont Pioneer and Pannar Seed (Pty) Limited have commenced a partnership that will increase the pace and scope of research and innovation, bringing farmers in South Africa and throughout Africa more product choices and better products, faster and more efficiently than either company could do on their own.

- The partnership of Pioneer and Pannar will drive the development of superior products for both brands, increasing the value-proposition offered to small-scale and commercial farmers across Africa.
- The investment by Pioneer will boost foreign direct investment (FDI) into South Africa, which in 2012 ranked third in Africa behind Nigeria and Mozambique in FDI receipts, according to the 2012 World Investment Report.

Global food demands are increasing and Africa has unique needs

According to the United Nations, global food production must nearly double by 2050 to feed a growing population. Africa has great potential to contribute towards the attainment of this target, as current food crop yields on the continent are still relatively low.

- The combination of Pioneer and Pannar represents growth opportunities for both businesses, for employees, and for the productivity of small-scale, developing and commercial farmers.
- Pioneer committed to investing R62 million (South African Rand) by 2017 to establish a technology hub in South Africa to serve the Africa region, similar to the research hubs that Pioneer has established in Brazil, India and China. The establishment of the technology hub will position South Africa as a centre of innovation in seed breeding.
- Pioneer and Pannar have committed to working with communities, government and other groups in South Africa to develop programmes to address the challenges faced by small-scale and developing farmers to increase their overall farm productivity, profitability and food security. Pioneer has committed R20 million toward this effort, in addition to the current endeavours of Pioneer and Pannar.

Pannar and Pioneer will remain in South Africa and Africa

The Pioneer and Pannar businesses, brands and distribution channels will remain in the market. The intention is to grow both businesses and brands into the future.

- Both businesses have been in South Africa and Africa for decades, partnering with local farmers and led by Africans.
- Pioneer's business model is to develop and produce products locally, meaning Pioneer invests in research infrastructure and related activities. It then contracts with local farmers for seed production and processes the seed in local conditioning plants. These activities contribute to the employment of local people.
- This partnership will enable a platform of growth for the businesses, including further investment and expansion providing employment and skills development opportunities in South Africa and Africa.
- It will help to improve the productivity of farmers, enhance food security, and increase competition in the marketplace, as well as enhance the global competitiveness of the African maize industry in particular.