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How outsourced refrigeration is revolutionising South Africa's agri-industry

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transformative refrigeration and cooling model is building resilience, freeing up capital and meeting the sustainability imperative for agri-businesses like Letaba Packers and Rederberg Estates.

It's called Cooling-as-a-Service, or CaaS, a model that outsources refrigeration and cooling infrastructure, and frees agri-businesses from the upfront capital investments and ongoing operational costs of owning and maintaining critical cold chain systems.

The shift from ownership to usership

Dawie Kriel, General Manager of Refrigeration at Energy Partners, the company that has pioneered the model in South Africa, says: “In the traditional ownership model (Figure 1) – if we take, for example, a citrus farmer, they would spend their own capital to pay for cooling equipment, and then take on all the operational costs and risks to operate and maintain that system.

“But with Cooling-as-a-Service, the farmer would not buy the equipment. And they wouldn't pay for the electricity or even maintenance costs associated with that equipment.

“Instead, they'd enter a partnership with a company such as ours, and we'd invest in, own and operate the system.

“We take on all the operational costs, including electrical consumption, maintenance, uptime and compliance risk, for the duration of the agreement, and the farmer only pays for the output they need from the system at a fixed tariff at the lowest life cycle cost possible.”

A sustainability and efficiency success story

Energy Partners has pioneered CaaS across various sectors, including agriculture.

Already adopted by [Letaba Packers](#) and Rederberg Estates, the model has been enormously impactful too for the likes of [Clover SA](#), [Dr Oetker](#) and [Sovereign](#), which has just recently [opted for its second CaaS plant](#).

“One of the key elements of CaaS for our clients is that we shift the risk of owning a cooling and refrigeration system to ourselves – we carry the full responsibility for up-time and

efficiency allowing the client to focus on their core business,” says Kriel.

Kriel notes that to achieve the goal of maximum efficiency and reliability, Energy Partners integrates the very latest technologies in its systems to reduce energy consumption, “from advanced controls and predictive maintenance, to the use of sustainable refrigerants and the integration of renewable-energy sources.”

In the fruit packing industry, such as with Letaba Packers in Limpopo, CaaS has enabled precise control over their cold chain, ensuring that avocados and other produce meet stringent export standards.

“By outsourcing their refrigeration needs to us, Letaba Packers reduced energy costs by 20% and avoided significant capital expenditure,” confirms Kriel. “These are tangible benefits in production efficiency and cost management, and illustrate CaaS's potential to enhance operational resilience and sustainability across the agricultural landscape.”

Scaling CaaS for food security

As South Africa's agricultural export market continues to grow, the demand for efficient cold storage solutions becomes more critical.

“By adopting CaaS,” concludes Kriel, “stakeholders can mitigate food loss, enhance operational efficiencies, and contribute to environmental sustainability.”

Energy Partners stands ready to empower businesses with scalable, sustainable cooling solutions that safeguard food

security and economic growth.

Book a CaaS consultation with Energy Partners:

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