

SA agriculture must build on the current optimism in the sector

- South Africa must build on the positive sentiment currently evident in agriculture and agribusiness by implementing long-standing plans and tackling the long-term growth constraints in the sector. The path ahead for the sector remains clear through the Agriculture and Agro-processing Master Plan (AAMP), which took the collaborative efforts of all stakeholders to draft. The AAMP's core objective is to drive inclusive growth in the sector by addressing constraints across commodities and cross-cutting matters such as land reform. In early February, the U.S. President cited misleading claims about South Africa's land reform in his Executive Order against South Africa. Amid these headlines, we worried there would be a sense of pessimism about business conditions in the sector.
- Positively, the Agbiz/IDC Agribusiness Confidence Index, a sentiment indicator in South Africa's agriculture and agribusiness, registered a notable 11-point uptick from Q4 2024 to the 70-point mark in Q1 2025. This is the highest level since the end of 2021, a La Niña year that brought favourable rains across the country. Moreover, at the time, most subsectors of agriculture operated openly while the government placed restrictions on others to control the spread of COVID-19. The current optimism in agriculture emanates mainly from the La Niña rains, which have supported the crop, fruit and vegetable production conditions.
- We also see a welcome improvement in the grazing veld, which benefits the livestock industry. Moreover, the decline in maize prices, while not always a welcome sight for a grain farmer, benefits the poultry industry and the broader livestock. The recent moderation in prices is a welcome relief for poultry producers and livestock who have struggled with higher feed costs. Notably, the ample global maize and soybean production harvest for the new season also adds to the moderation in prices, which benefits the industry.

Poultry farmers' needs

- In such an environment, it is vital that South Africa builds on this optimism and implements the programmes that are within domestic control. For example, within the poultry industry, we continue to hear from our members about the need for South African authorities to accelerate the bird flu vaccine registration. The feedback from the regulators about this issue has not been encouraging so far.
- Given what we are currently observing in the U.S., where the bird flu has worsened, South Africa must prepare itself for such possible challenges in future. In years where we have experienced the bird flu, the challenge goes far beyond the farms to jobs and higher food prices in the country. Therefore, ensuring that we do whatever is possible, within the limits of regulation, to accelerate this registration process for vaccines is vital.

Horticulture and wine producers

- An important issue for horticulture and wine producers is accelerating the opening up of key export markets. While this has been a long-running talking point in the sector, South Africa cannot keep moving at a pedestrian pace on trade matters during heightened geoeconomic tension. There is a need for renewed energy and urgency from the government officials' side.
- The BRICS region remains crucial in this endeavour, amongst other regions. Here, the South African government, particularly the Departments of Trade, Industry and Competition, along with the Department of Agriculture, must have a sharper focus on lowering import tariffs and phytosanitary barriers in countries such as China, India, Saudi Arabia, with the latter one mainly for fruits. Moreover, the continuous effort to retain access to markets South Africa already exports to is also vital.
- South Africa must also rethink its agricultural marketing or promotion approach in this export effort. Presenting South African agricultural products as a pack under the "South Africa Inc" approach may be key. The government will also have to focus on various new markets, promoting this sector as a pack and emphasizing the supreme quality of South African products.

Livestock

- The livestock industry is also geared to promote its exports. Thus, there is a need to market and promote South African products as a pack. For this export effort to be a success for the livestock industry, the sector, collaboratively with the government, must continuously address animal diseases. Notably, the provincial authorities should appreciate that they must apply regulations to control the spread of animal diseases like Foot and Mouth without choking the industry.
- Also worth emphasizing is that serious engagements with domestic vaccine manufacturing is also crucial and requires government and private sector collaborative efforts. If South Africa is to build a strong livestock a products and red meat exports industry, biosecurity will have to receive necessary attention along with domestic vaccine development.

Closing remains

- For the export drive to succeed, the logistics must also improve. Therefore, the collaborative work with Transnet and other stakeholders to improve the efficiency of the ports remains vital and should continue. We are already seeing the gains of these collaboration through increasing exports. Still, more work is required, and collaboration is key in the process. Road infrastructure is another matter this sector must continuously emphasize to provincial and local authorities as it remains at the heart of the sustainability of agriculture.
- Ultimately, there is now a window of opportunity for agricultural stakeholders to refocus on these matters and escape from the absorbing geopolitical engagements. The positive sentiment of the moment offers the right space for this engagement, and the sector must lean on it.