BIENNIAL REPORT
2024–2026

agbiz
agricultural business chamber
the way to prosperity

BIENNIAL REPORT
2022–2024

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CHAIRPERSON'S FOREWORD

Our environment

In his opening comment in the 2022–2024 report, our previous chairperson stated that the Covid pandemic of 2020/21 had initiated a global shift from stability to volatility with significant disruptions to global supply chains, continued polarisation of the political environment and increasingly volatile climate events. Prophetic one could say, as these shifts continue to this day. As South Africans, we have also had to survive state-capture-induced and now experience the direct and indirect effects of the various worldwide conflicts on every facet of our lives.

It would be remiss of us to ignore the outstanding growth achieved by the agricultural value chain in growing exports from $13,2 billion in 2023 to $15,1 billion in 2025, once again emphasising this sector's resilience. These achievements, however, disguise the severe challenges faced by our livestock sector as we battle foot-and-mouth disease (FMD) and other biosecurity setbacks largely attributable to failures of the institutions vested with controlling these biosecurity matters. Although interventions like Operation Vulindlela are delivering improvements in agriculture-dependent enablers like ports and rail logistics, electricity, home affairs and the like, the agricultural value chain and related sectors face continued security risks, lack of appropriate infrastructure improvements, and rural service delivery decay. We also bear the brunt of escalating costs of doing business in various forms like electricity charges, licensing and ever threatening regulatory changes proposed by state institutions stuck in the past instead of focusing on this country's and our sector's economic potential to support growth and employment objectives.

Our organisation

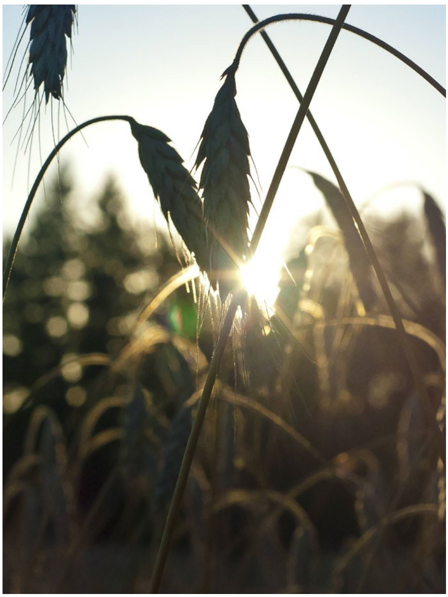
Within this environment, our organisation continues to review, collaborate, influence, propose, participate, and lead in several matters relevant to our increasing and diverse membership with appropriate and thoughtful insight, structured responses, and value-adding proposals. These undeniably support economic progress for our sector and South Africa.

The capabilities of our team, which we rely so heavily upon, have been expanded during the period and will continue to do so. Training and development accelerated as we strive to continuously meet the demands of an increasingly challenging environment with over 40 monitored team initiatives and activities active at any given time.

Apart from the great work in economic diplomacy, influencing SACU reforms, and ever improving advisory role our organisation offers to key state role players, the team has been involved in nine Nedlac task teams, 20 chamber engagements, and influential on 18 or more secondary legislative and other submissions to regulatory instruments as well as various portfolio committee presentations. Over and above these interventions, the team has also been involved in various strategic projects like rural roads, road to rail, collaboration on port efficiency improvements, FMD relief, and legal support. Furthermore, our organisation's member and media activities continue to grow on an annual basis. The financial status of our organisation remains healthy not only with clean audits, but with growing reserves and savings having grown from R17,2m in 2023 to R18,5m in 2026, off the back of consistent operational surpluses.

In this biennial report, the Agbiz team has elaborated on the following focused areas of intervention:

1. Economic conditions in the past two years
2. Evolving trade landscape
3. Advocacy by stealth
4. Regulatory inputs
5. Capacity building and knowledge sharing
6. Institutional reform and public–private partnerships
7. Marketing, membership, and financial sustainability
8. Creating a fit-for-purpose organisation



Note of appreciation

Firstly, our appreciation goes out to our involved members whose dedicated contributions and involvement make our organisation an influential body of common purpose and commitment. Secondly, to our various members of steering committees and audit and risk committees of Agbiz, the Fruit Desk, and Agbiz Grain, we thank you for your time, mostly unpaid for, and your professional approach which gives our members the assurance of a high level of care, administration, and governance.

And finally, to our Agbiz leaders, our specialists and support staff, all I can say is “it is immensely fulfilling to be the chairperson of such an upstanding organisation which we can all be proud of”. Theo, to you and the team, thank you, *enkosi*, *ngiyabonga*, *re a leboga*, *dankie*, *shukran*, *mashallah*.

May our value chain remain blessed with sustainable growth as the leading sector in the South African economy.

Sean Walsh

June 2026

1. ECONOMIC CONDITIONS IN THE PAST TWO YEARS

1.1 South Africa's economy

The South African economy has been through a period of moderate recovery over the past two years. GDP grew by 1,1% in 2025, following modest growth of 0,4% in 2024. South Africa's economic gains, among other things, are supported by reform momentum, including through Operation Vulindlela, which is translating into improved fundamentals: more reliable electricity supply, targeted logistics upgrades, and clearer pathways for private investment across different sectors of the economy.

Moreover, two major developments have significantly boosted South Africa's global standing: S&P Global delivered the country's first sovereign credit rating upgrade in nearly two decades, and South Africa has been removed from the Financial Action Task Force (FATF) grey list following the implementation of a comprehensive action plan. Together, these milestones enhance confidence in the country's financial governance and reinforce the credibility of its reform agenda.

Moreover, fiscal consolidation efforts are bearing fruit. Government debt is now projected to stabilise at around 77% to 78% of gross domestic product (GDP) in this fiscal year, with budget deficits narrowing over the medium term. The government's adoption of a 3% inflation target enhances policy credibility and supports long-term economic stability.

The structural reform path continues, as the second phase of Operation Vulindlela is now, among other things, focused on modernising network industries, including electricity, water, transport, and digital communications.

1.2 Agricultural conditions

While the macroeconomic environment has been broadly recovering, agricultural conditions have shown a mixed recovery. In 2024, the sector struggled with a mid-summer drought, while 2025 has been a year of better rains but with an increasing spread of animal disease challenges.

Still, the sector performed well in 2025, masking the challenges in the livestock industry. When one looks at agricultural gross value added for 2025, the sector grew by 17,4% year on year in 2025, following a contraction of 8,4% year on year in 2024. The ample harvest in field crops and horticulture, on the back of favourable rainfall, boosted the sector's fortunes. Base effects also supported the sector's performance.

The poor performance of 2024 reflects the drought impact on field crops during that year.

Admittedly, the sector could have performed more robustly, but foot-and-mouth disease in cattle and African swine fever in the pig industry have weighed on the sector. These two industries are part of the major agricultural subsectors.

Notably, it was the excellent production conditions in field crops and horticulture that boosted South Africa's agricultural exports to a record US$15,1 billion, up 10% from 2024. The exports were distributed across key areas, with Africa accounting for roughly half, followed by the EU, Asia, and the Middle East, the Americas, and the rest of the world. Several phytosanitary market access protocols for agricultural commodities were concluded during 2024 and 2025 through joint government and industry efforts, particularly for markets in Asia.

The improved agricultural performance in 2025 also brought notable job gains. For example, the number of farm jobs in South Africa increased by 3% year on year in the last quarter of 2025 to 950 000, according to the Quarterly

Labour Force Survey data from Statistics South Africa. This is the highest level since the third quarter of 2023. We observed improved job performance, primarily in field crops and horticulture. The increase in jobs in these subsectors reflects the optimism generated by the abundant harvest.

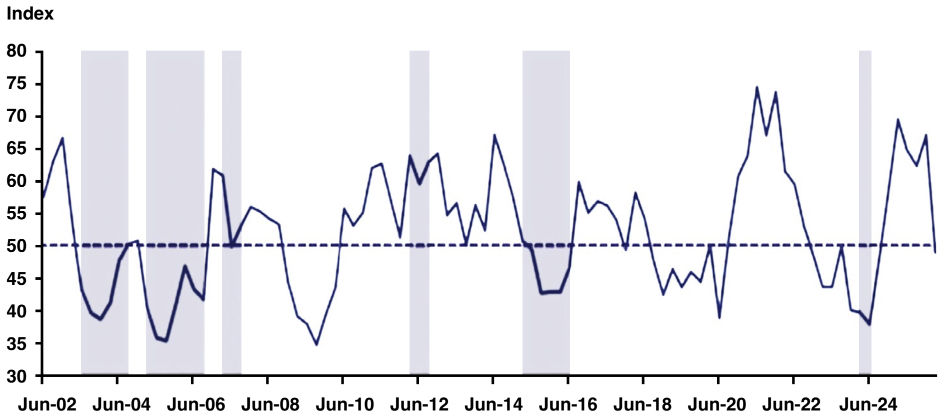
Notably, employment of 950 000 is far above the long-term average of 799 000 jobs, signalling that while the sector faces challenges such as animal diseases, wage pressures in some industries, and weak municipal service delivery, among other issues, employment conditions remain encouraging.

1.3 Sentiment conditions in South African agriculture

While the agricultural sector went through various challenges over the past two years, sentiment for much of the period remained robust. It is only at the start of 2026 that we saw a change.

Confidence in South Africa's farming and agribusiness sector has weakened, according to the latest quarterly survey. The Agbiz IDC Agribusiness Confidence Index fell by 18 points in the first quarter of 2026 to 49. A level below the neutral 50 mark typically indicates pessimism. The change in sentiment

Figure 1: Agbiz/IDC Agribusiness Confidence Index[1]



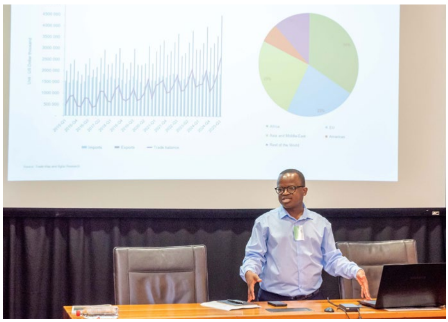
Source: Agbiz Research, South African Weather Service
(Shaded areas indicate periods of drought in South Afica)

from the upbeat tone at the start of the year is justifiable. Less than a quarter into the year, worsening domestic and global challenges are expected to weigh on the sector's performance and will be top of mind for agribusinesses.

On the domestic side, the ongoing challenge of animal diseases, mainly foot-and-mouth disease in cattle and African swine fever in the pig industry, is a key concern. Outside of the livestock sector, the wheat and sugar industries in South Africa have faced the challenge of exposure to ample global supplies. The South African agricultural sector is interlinked with the world market, and commodity prices tend to follow global trends. At the moment, the world is experiencing a record wheat harvest, and South African farmers are having to contend with these developments. The sugar industry partly faces the challenge of ample global supplies, which is driving down prices.

The difficulties in the Port of Cape Town during the table grape, stone, deciduous, and other fruit export period from November 2025 through to February 2026 were another major domestic development that has added to the dampened mood in the agricultural sector. As these domestic matters evolve, the conflict in the Middle East is increasingly a concern for various stakeholders in the sector. South Africa's agriculture is exposed through exports of agricultural products and, from an import perspective, mainly fuel and fertilisers.

Therefore, the weaker sentiment in the farming sector must be framed from the perspective of these challenges. One must also understand that while these factors are shaping sentiment, this does not imply that all subsectors are under pressure. The field crops for the 2025 to 2026 season are in good production condition, along with various fruit, vegetable, wool, and wine harvests, among other value chains. These should support the sector's performance in 2026. Still, until we improve our management of challenges on the domestic side, sentiment may remain subdued in the sector for some time.



2. THE EVOLVING TRADE LANDSCAPE

2.1 United States (US) trade relations

The entire rule-based trading system to which we have become accustomed was rocked in 2025 by the announcement of 30% country-specific tariffs on virtually all of the US's trading partners, including 30% on South African products by the US. While South Africa's total agricultural exports to the US are modest in comparison to other trading partners, it is a growing market that is of particular importance to many commodities and regions. Agbiz played an active role in collating inputs from each agri subsector on the impact and potential offers that could be made. This information was relayed to the Department of Trade, Industry, and Competition (DTIC) on a weekly basis as they undertook negotiations.

Ultimately, the tariffs were imposed in August 2025, but many agricultural commodities were excluded in November of the same year. Finally, the Supreme Court in the US overturned the tariffs in February 2026. New 10% tariffs were immediately reinstated for all countries across the board, but these apply for only five months at a time and must be reviewed before renewal by Congress. Coupled with the renewal of the Growth and Opportunity Act (AGOA) in early 2026, which exempts many South African products from the most favoured nation (MFN) duty, we are now in a more favourable position than many competitors in the Southern Hemisphere. Agbiz supported Business Unity South Africa (BUSA) efforts to advocate for AGOA renewal. The new approach to the use of tariffs by the US is not yet over, however, as the Administration has stated that it will seek the use of additional trade remedies to re-impose tariffs.

It was a rollercoaster time for the industry, but the lasting impact is evident in South Africa's approach to trade agreements. After two decades of overt caution towards new markets, the DTIC is now actively pursuing trade agreements with China, India, the ASEAN, and Gulf states.

2.2 China–Africa Partnership Agreement

The most advanced trade negotiations currently centre around China. Despite reports in the popular media, the China–Africa Partnership

Agreement does not provide the continent with unilateral, tariff-free access to the Chinese market. A framework agreement has already been signed between South Africa and China in early 2026, and South Africa chose to activate a provision to commence negotiations on tariff reduction. Our efforts are therefore currently focused on a so-called 'Early Harvest Agreement' that caters for Rules of Origin and bilateral tariff reduction. In our negotiations, we are advising the government on a potential tariff reduction offer from Southern African Customs Union (SACU) that would afford a level of reciprocity without exposing our industrial base beyond that which we cannot compete with. China has accepted that the tariff reductions will need to be asymmetrical in order to take into account the different levels of development of the parties.

The agricultural value chain stands to benefit from the agreement as we face a tariff handicap when competing with exporters from Australia and South America. The process is not straightforward, however, as the Chinese offer caters to a phase-down approach with some products eligible for immediate reduction, whilst others may only benefit after 10 years or even be subjected to a tariff rate quota.

2.3 SADC–EU EPA review

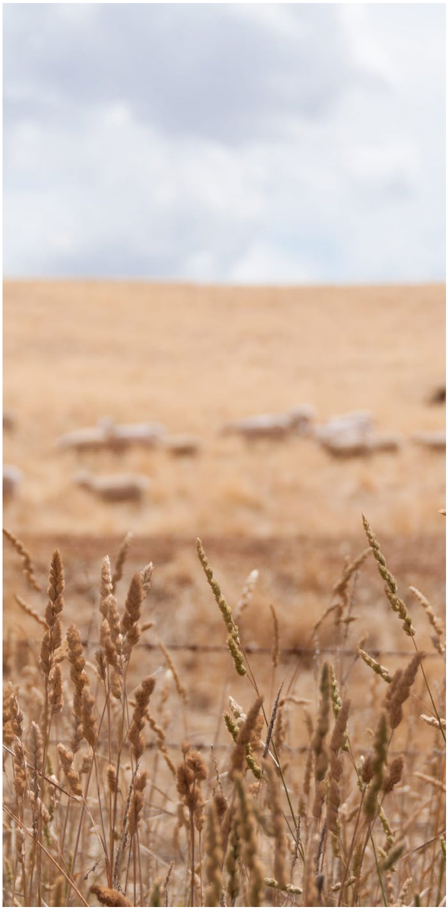
The SADC states and the EU remain engaged in a review of the SADC-EU Economic Partnership Agreement (EPA). Differences of position as to the scope and purpose of the review remain unresolved. The EU views the review as having limited scope and not open for amendment with respect to market access. SADC states wish to engage on quota revisions and other points of market access. The review will not affect the overall status of the agreement, and the EU remains one of South Africa's key agricultural trade partners, representing over 20% of agricultural exports.

2.4 SACUM–UK EPA review

The review of the implementation of the SACUM-UK EPA has expanded to include possible revisions to the agricultural quotas. The UK has been prepared to engage on this and requested from its side an increase to the existing quotas for cheese, frozen pork, butter, and ice cream. The Department of Agriculture (DoA) has been consulting with the relevant industries to respond to these requests. From South Africa's position, a revision to the quotas for canned fruit and juices and the split in the bottled vs bulk wine quota ratio are of interest. Negotiations are ongoing.

2.5 SACU–EFTA Free Trade Agreement implementation

A review of the EFTA agreement's implementation, as well as an overall review, is underway. The parties are engaged in negotiations to unlock additional value through a possible expansion of the market access arrangements.



2.6 BRICS

Agbiz continues to lead the Agribusiness Working Group in the BRICS Business Council. This grouping remains key to South Africa's ambition of export expansion. The BRICS countries, with the expanded members, account for over US$300 billion of agriculture imports. South Africa currently has small participation in these markets, less than 10% of our annual agricultural exports. The challenges are higher tariffs and the existing phytosanitary barriers. Agbiz advocacy within BRICS is deepening trade through the reduction of these tariffs and easing the non-tariff barriers. This approach of thinking is now increasingly shared by other BRICS countries, and the ultimate goal is to secure some form of a BRICS agricultural trade agreement. Agbiz's approach is broadly supported by the DTIC and the Department of International Relations and Cooperation (DIRCO), whose approach in the new economic diplomacy strategy is increasing exports. Agbiz will continue with this advocacy work within this grouping until there are material gains for the sector.

2.7 BUSA process on priorities and Agri PTA research

Whilst the newfound momentum to negotiate trade agreements is positive, government and industry are still not fully aligned in terms of trade priorities. Agriculture is an export-orientated sector, but we do not operate in a vacuum and cannot advocate for free trade agreements that will benefit the agricultural value chain but cause substantial harm to other sectors. Agbiz, therefore, initiated a process within BUSA whereby each economic sector, informed by their master plan and export interests, can highlight the markets in which they see significant potential as well as those from whom protection is required.

Through this process, we have so far identified the following trends:

- industrial giants such as China and India offer potential but also significant risk;
- the African continent provides significant opportunities and lower risk for many sectors;
- Mercosur countries offer few threats but limited opportunities;
- the Gulf States offer ample opportunity with little threat; and
- Japan, South Korea, and the ASEAN countries mostly offer opportunity but with risk for specific manufacturing or high-tech sectors and, in some cases, some risk for agro-processing.

In this manner, low-hanging fruit has been identified, and business as a whole will be able to prioritise markets and make recommendations to government on countries that we should target for trade agreements.

2.8 Agricultural value chain-based sectoral trade agreement promotion

To avoid competition with industrialised economies, Agbiz sought to promote limited preferential trade agreements (PTAs) with selected Asian countries. To this end, Agbiz successfully advocated for the concept at the DTIC, DoA, and the Agricultural Trade Forum (ATF). To demonstrate a 'proof of concept', a service provider has been contracted by Agbiz, funded largely by members, to undertake a study into the opportunities and potential impact of such a sectoral trade arrangement with selected markets. Project deliverables will include a dataset that can be interrogated by industry and government to inform current and future market choices. The advocacy takes on added relevance and urgency as South Africa grapples with the trade choices thrust upon it.

2.9 Tariff process flow

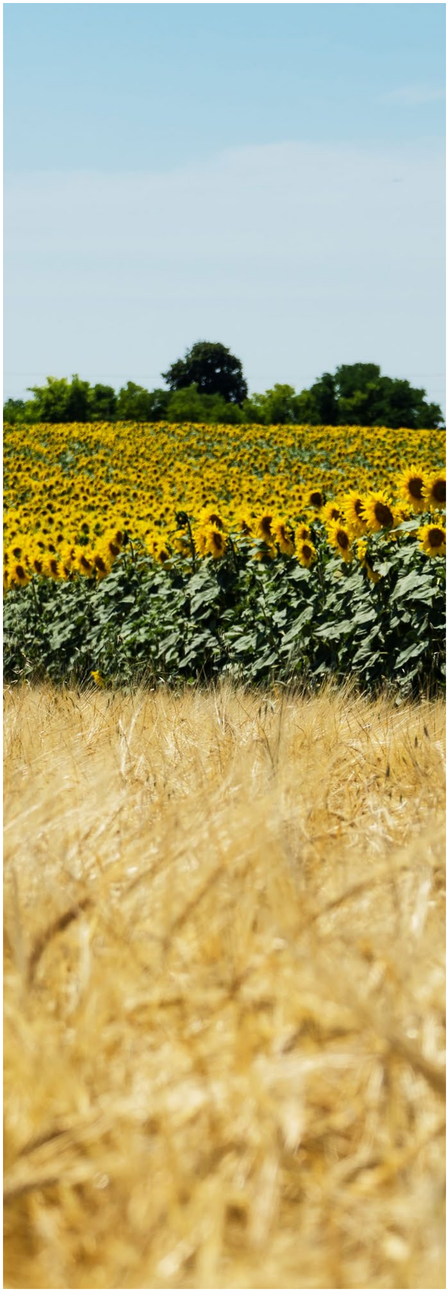
Trade policy and agreements mean little if the institutions that administer them do not operate effectively. In this regard, the time delays between ITAC, the DTIC, and National Treasury are undermining the very objective that variable tariffs on products such as wheat and sugar aim to achieve. We have elevated the issue at Nedlac, and a process is being put in place whereby we can push for reforms and accountability. Recent proposals to amend the International Trade Administration Act (71 of 2002) and regulations are also receiving ample attention.

Agbiz invests a great deal of time and resources into our participation at Nedlac and BUSA. These platforms have become the frontline of the negotiations and the central decision-making platforms for trade. Our access to these platforms has allowed Agbiz access to unprecedented information on strategy and priorities related to international trade. Our investment into these platforms has certainly paid dividends the past two years. In addition, Agbiz sits on the Department of Agriculture's Agricultural Trade Forum (ATF) and successfully advocated for the re-establishment of a formal information channel between the ATF and the relevant Nedlac trade committee to promote coordination.

Agbiz, via BUSA, is also highlighting that the trade machinery of the state needs to be recapacitated and better resourced if we are to make the best use of the negotiations and subsequent trade agreements and market access we are pursuing.

2.10 Wheat industry Section 7 review

South Africa's wheat industry is facing one of its most complex periods since deregulation, shaped by global price pressures,



infrastructure constraints, and policy mechanisms that require review. The area under wheat production has declined significantly, from just below 1,6 million hectares in 1990/91 to approximately 550 000 ha in 2024/25. This decline has been driven largely by reduced plantings in the Free State. Profitability pressures are particularly evident in the Swartland, a key production region, where margins remain under strain. Rising input costs alongside global wheat price dynamics continue to weigh on producer viability. Once producers exit wheat farming, re-establishing capacity is both slow and costly. For a country already reliant on imports, this presents a strategic risk, particularly in an environment characterised by geopolitical uncertainty, climate variability, and potential trade disruptions.

To address the decline, the Wheat Forum has applied for the establishment of a Section 7 Committee under the Marketing of Agricultural Products Act (47 of 1996). This structure would enable the National Agricultural Marketing Council to convene stakeholders across the value chain to investigate systemic challenges and propose coordinated interventions.

Key focus areas include:

- import tariff and reference price mechanisms;
- price discovery and market transparency;
- storage and logistics constraints;
- import timing and flow; and
- transformation and inclusivity.

3. ADVOCACY BY STEALTH

3.1 Economic diplomacy

Over the past two years, Agbiz spent considerable time on economic diplomacy matters. Admittedly, this is a new area. For some time, we had minimal focus on issues of economic diplomacy. But this area is now back on the agenda in a notable way and part of our export diversification focus. Agbiz has worked with DIRCO and the DTIC to support the efforts of the new economic diplomacy strategy for the country. As the search for new markets under the refreshed economic diplomacy strategy gains momentum, Agbiz wants to ensure that the country still retains focus on the markets we have in the various regions of the world: China, the EU, the UK, the US, and the Middle East, among others. But we will also accelerate our efforts on opening up new avenues. We see a lot of potential in the Middle East and Asia as an addition to our existing export markets.

The new economic diplomacy strategy proposes a change in the trade focus and nudges the country to be bold this time around and sign more free trade agreements. We haven't been able to sign many in the past. We have been cautious, and perhaps too cautious. Now, we will mark the sensitive industries but engage more courageously on free trade.

3.2 SACU reform

South Africa's export diversification efforts have been constrained by the Southern African Customs Union (SACU) ways of engagement which require all countries to be on the same page before signing a free trade agreement with any country. This approach to trade engagements has also had a negative perception from some potential trade partners. Agbiz has generally been of the view that some countries may be reluctant to engage deeply with South Africa on trade due to SACU. To potential partners, the customs union often appears obscure and unpredictable. Many are interested in South Africa itself, not the wider region.

Thus, over the past two years, Agbiz engaged with DIRCO and DTIC to accelerate the effort to review SACU while preserving the development

programmes that provide social support to neighbouring states.
In today's changing global trade environment, countries must be agile in forming new agreements that sustain their economies. South Africa is on a path of export expansion, and when other countries see their interests aligned with South Africa's, the government must be able to sign trade agreements.

But this is not always the reality. South Africa generally has to consult with Botswana, Eswatini, Lesotho, and Namibia, which are part of SACU. In the past, this practice worked well, as there was no urgency and most trade matters took years to be concluded. Negotiating as a customs union also ensured that countries interacting with the region could access a slightly larger market. But the world has changed, and each country must put its interests first. Agbiz will continue with its effort, collaboratively, with government to advocate for the modernisation of SACU to South Africa to efficiently negotiate free trade agreements.

3.3 Advisory role to key cabinet ministers

Agbiz, while independent in its views in support of its members, remains a trusted organisation for research and sound advice to the various cabinet ministers. The various members of the organisation advise ministers of trade, industry, and competition; international relations; land reform; and public works, among others. These advisory efforts ensure that the members' views receive the ultimate attention of the decision-makers and further elevate the organisation's advocacy work.

4. REGULATORY INPUTS

It was a busy time on the regulatory front with no less than nine Nedlac task teams, 20 engagements at Nedlac's Trade and Industry Chamber, 18 written submissions to regulatory instruments and numerous presentations to various portfolio committees in Parliament.

4.1 Focus areas

The signing into law of the Expropriation Act (13 of 2024) in early 2025 by the Minister of Public Works caused a huge uproar and great media interest. Agbiz was involved in many radio and television interviews and discussions. The Act has, however, not been promulgated. A potential test case by the Ekurhuleni municipality expropriating land at R0 compensation also drew a lot of media attention. It now seems that the municipality no longer wants to expropriate the land, as they have applied to the court to have the expropriation decision reviewed. Agbiz also submitted written comments on yet another attempt, this time by way of a private member's bill, to amend Section 35 (the property clause) in the Constitution.

The period also saw considerable work on climate change, carbon and other emissions, and sectoral emission targets. The Climate Change Act (22 of 2024) was passed in 2024, followed by regulations on carbon budgets. Sectoral emissions targets for the sector are being developed, and inputs were made on South Africa's second nationally determined contribution. Biodiversity

Nedlac task teams	Secondary legislation	Other regulatory submissions
Merchant Shipping Bill	Draft regulations setting the criteria determining the classification of micro, small and medium enterprises	Draft Transformation Fund concept document
South African National Water Resources Infrastructure Agency SOC Limited Amendment Bill	Proposed regulations on the protection and management of groundwater resources	Amendments to Series Code 400 under the B-BBEE Act
Local Government White Paper	Draft national greenhouse gas carbon budget and mitigation plan regulations	Inputs on the Competition Commission’s fresh producer market inquiry
Firearms Control Bill	Proposed food labelling regulations	National Minimum Wage annual review investigation
Government Incentives Task Team	Canola grading regulations	Consultation paper on developing the South African carbon credit market
ESOPS Task Team		Draft second nationally determined contribution
Water and sanitation workstream		Prohibition notice regarding the use of certain agricultural remedies
Tobacco Products and Electronic Delivery Systems Control Bill		Framework for measuring broad-based black economic empowerment
Labour Law Amendments Task Team		Draft report on colloquium on pesticides policy framework Draft block exemption for the promotion of exports Discussion paper on local government SANRAL’s policy for rest and service facilities CITES listing of dried abalone Industry self-regulation for the grading of grain Food safety protocol

and biodiversity reporting are also on the cards, and BUSA has been engaging with the Department of Fisheries, Forestry, and Environment (DFFE) on biodiversity targets. Agbiz has also been involved in a number of consultations regarding the regulations and norms and standards being developed for the implementation of the Preservation and Development of Agricultural Land Act (39 of 2024). Water infrastructure, availability, quality and transformation have been the subject of more than one Nedlac process.

4.2 Noteworthy successes

Whilst no organisation can realistically claim credit for regulatory changes, Agbiz played a critical role to ensure substantive engagements on the Merchant Shipping Bill and Tobacco Bill that took place at Nedlac. In both instances, the government attempted to bypass the Nedlac process but was brought back to Nedlac. Whilst the objectives of both Bills may seem noble, the mechanisms they propose could seriously disrupt sectors of the economy and set a dangerous precedent for state control. The legislation must still go to Parliament, but through the process, we ensured that the impact on businesses has been placed in the spotlight.

A series of amendments to the Labour Relations Act (66 of 1995), Basic Conditions of Employment Act (75 of 1997), Employment Equity Act (55 of 1998), and National Minimum Wage Act (9 of 2018) were dealt with as an omnibus process at Nedlac. The amendments reflect a balanced approach, but proposed amendments to improve agility in the labour market are encouraging.

There has been a huge focus on agricultural remedies, specifically herbicides and pesticides. The Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (36 of 1947) is likely to be scrapped or amended or to create a new regulatory framework for these remedies. To counter the flood of negative media coverage seen of late, Agbiz convened a standing committee to provide inputs and

tell the industry's side of the story. The narrative around agricultural remedies is dominated by activist groups, but a series of initiatives were undertaken to bring balance.

Finally, the entire grain value chain united in its opposition to the appointment of an assignee for grading that would add substantial costs to the existing system. After numerous written inputs, an administrative appeal process and sustained opposition, the assignees' mandate was finally revoked. This was a significant victory for the sector.

4.3 Challenges on the horizon

Amendments to the National Water Act (36 of 1998) and its regulations have been proposed with potentially far-reaching consequences for the agricultural sector. Attempts to

prohibit the trading of water rights and accelerated water reform need to be carefully considered as we foresee unintended consequences for water use efficiency and security of supply.

The quest to convince government to adopt a more flexible and science-based approach to regulating new breeding techniques (gene editing) is continuing. Agbiz has a dedicated working group focusing on this and had a meeting with the Minister of Agriculture in 2025 to discuss a way forward.

Finally, inclusive growth is a strategic focus area for Agbiz, and its members are governed by the AgriBEE Sector Code. It is an extremely important regulatory instrument, and we have invested a great deal of time and resources to propose workable amendments. Agbiz and Fruit SA funded a comprehensive review of the codes whilst proposals were made to alter the industry norm for grain and oilseed traders. Draft practice notes were also drafted that would allow producers and processors to claim points for statutory levies that are used for transformation purposes. Unfortunately, these efforts have stalled due to a dysfunctional AgriBEE Charter Council. Alternative strategies are being considered to drive these points.

5. CAPACITY BUILDING AND KNOWLEDGE SHARING

Agbiz's primary role will always be to influence the policy environment through evidence based advocacy but we also play a key role to crowd in expertise and assist agribusinesses adapt to the changing environment.

5.1 Environmental, social, and governance (ESG) reporting

The rise of non-financial reporting requirements relating to ESG poses an emergent compliance requirement for agribusinesses. As a result, Agbiz secured the services of Agrifusion for a two-year period to guide members in this process. Numerous workshops were held to sensitise members of emerging requirements and the process culminated in an ESG 'roadmap' that recommends an approach for businesses to follow. In the latter stages of the initiative, Agbiz members could use Agrifusion as a 'soundboard' in their ESG journey.

5.2 Diversity, equity, inclusion, and belonging

Notwithstanding the legal challenge, sector targets for employment equity are currently in force and agribusinesses are required to tailor their plans accordingly. A series of consultations were scheduled with leading experts in the field. The aim was to advise on strategies and practical tips to comply with the targets or where impossible, to ensure that businesses record their *bona fide* attempts to justify

non-compliance. On a more permanent basis, an industry forum on diversity, equity, inclusion, and belonging (DEIB) was established for agribusinesses to benefit from peer group learning. This initiative was led by VKB but brought under the Agbiz banner to ensure inclusive participation by companies in the sector.

5.3 Safety, health, environment, and quality

The Safety, Health, Environment, and Quality (SHEQ) Forum, an initiative of Agbiz's Grain Desk, went from strength to strength. No fewer than six sessions were held on diverse topics, including environmental law and environmental management, compliance in terms of fumigation and pest control, emergency preparedness, and pre-emergency planning, flammable storage, certificate of compliance (CoC) and hazardous substance transport, energy performance certificate training, and ensuring that appointments are done.

Agbiz Grain is developing a sector-specific SHEQ audit framework, structured around five pillars:

- Standards
- Audit questionnaire
- Standard operating procedures
- Audit process
- Monitoring and evaluation

The initial standards have been drafted and are currently under review, with pilot implementation planned for the first half of 2026.

5.4 Training

The desk also facilitated the grain silo depot manager course offered by Peritum Agri Institute and funded by AgriSETA. The programme was developed to equip managers with competencies across grain handling, infrastructure, compliance, financial management, food safety, and stakeholder engagement.

A fumigation skills programme is also nearing final approval through the Quality Council for Trades and Occupations, with rollout expected in the second half of 2026.

Further, a dedicated training programme for silo operators will be developed in collaboration with the Grain Training Institute, focusing on operational excellence at storage facilities.

6. INSTITUTIONAL REFORM AND PUBLIC–PRIVATE PARTNERSHIPS

Aside from policy, an enabling environment also requires functioning public institutions, service delivery, and infrastructure. As a knowledge-based organisation with limited resources, our interventions in this space is limited to coordinating industry efforts, entering into strategic partnerships and creating a knowledge base to guide state entities and members in their investment decisions.

6.1. Rural roads pilot project

Following robust discussions at Nampo 2025, Infrastructure SA, Agbiz, and Agri SA entered into a mutual collaboration agreement for rural roads. Our first project was to collect information from members to construct a freight demand model for the Free State. In doing so, Infrastructure SA could identify the roads that are most important for the economy of that province and build a business case to inform the provincial government's priorities. To be clear, the budget and responsibility for roads remain with the province, but the pilot helped to identify the road linkages that will offer the best economic dividend for the province. If the model works, we hope that it can be repeated elsewhere.

6.2. Road to rail

Agbiz made extensive inputs to the team from Operation Vulindlela, tasked with drafting the freight logistics roadmap. The proposals set South Africa's rail logistics on a dramatic new path towards equal but regulated access and level the playing field for the private sector to finally take part in rail transport.

The past two years saw several pieces of the puzzle come together, including:

- the network statement;
- the unbundling of Transnet Freight Rail (TFR) to create the Transnet Rail Infrastructure Manager (TRIM) and the Transnet Rolling Stock Leasing Company (ROSCO);
- the creation of a private sector participation unit under the Department of Transnet;
- the request for information (RFI) for multimodal corridors; and
- the anticipated RFI for the B-network.

At present, our focus is to empower agricultural businesses with all the relevant information needed to respond when the B-network RFI comes out. To do so, we have obtained exemption from the Competition Commission to map out the flow of grains from storage sites to processing nodes, determining available rolling stock for lease and engagements with TFR and all private train operating companies. The final decision to apply for concessions to either operate or maintain rail infrastructure remains with members, but we aim to empower them by collecting all relevant information needed to make an informed decision.

6.3 Collaboration to improve port efficiencies

We have facilitated discussions with the National Logistics Crisis Committee to learn from other sectors' efforts to collaborate with Transnet or find innovative ways to recover their costs where industry steps in to assist. Via the Agbiz Fruit Desk, we have also submitted a formal request for information to the Ports Regulator for the key performance indicators and license conditions attached to Transnet Port Terminals' operating license in Cape Town. The process has been frustrated by incomplete or redacted information, but we view it as a necessary step to promote accountability and lay the foundation for remedies for industry to possibly pursue. That being said, such actions do not preclude collaboration between industry and Transnet, and continued weekly and monthly report-back meetings continue, where Agbiz is represented. Agbiz previously successfully motivated for the creation of war rooms per port to facilitate operational planning for peak export seasons.

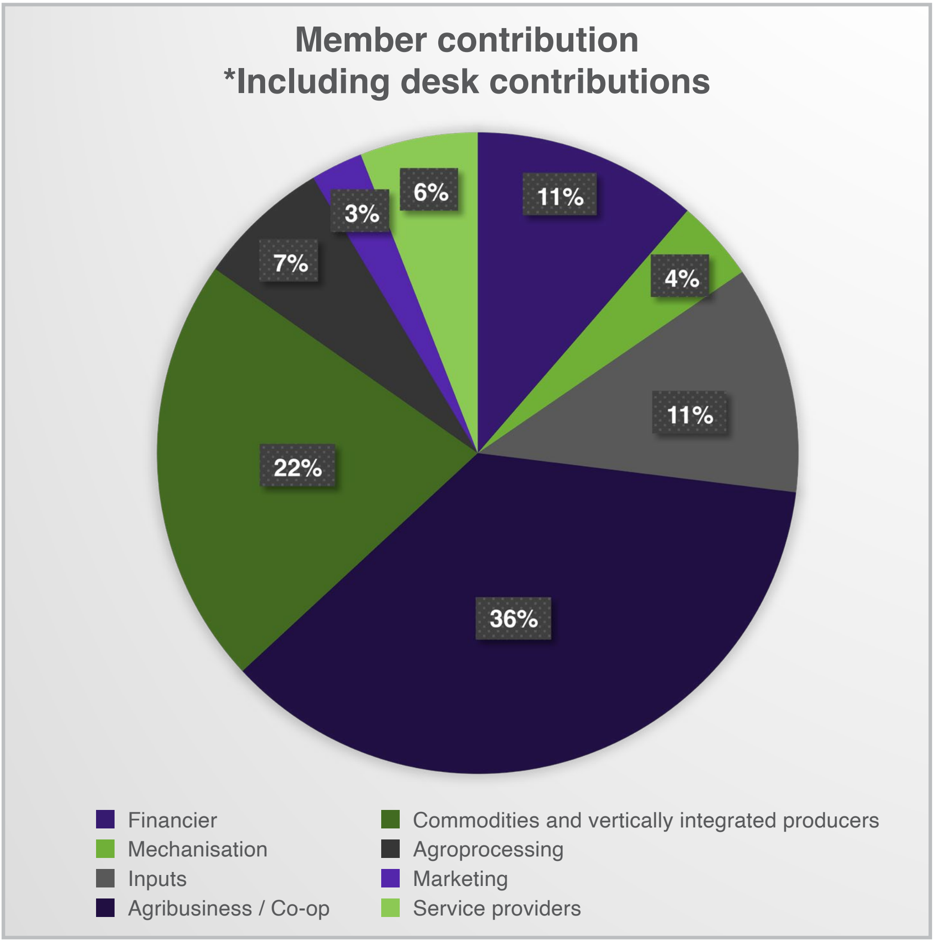
The Cape Town Container Terminal continues to be a choke point during the peak season for mostly berries, pome, stone, and table grape exports. The affected industries lead engagements on operational matters whilst Agbiz explores avenues for long-term solutions. In 2024, industry stakeholders, the Western Cape Government, and Transnet took hands to create additional plug point capacity during the peak season. Agbiz collected the funds and contracted a private party to supply two 500 KVA generators to supply uninterrupted power to 160 reefer containers. In essence, this created buffer capacity for the port to manage its stack and accept additional cargo even when the port was windbound. In the summer of 2025, additional funding partners came on board, and the project could be repeated. There seems to be demand for a more permanent solution but the template will need to change. To date, the projects were funded through industry donations but a cost recovery mechanism is needed to institutionalise this partnership. In this regard, we have sensitised the PPP office within the Department of Transport through their RFI process and hope to make proposals during the RFP process.

6.4 Foot-and-mouth disease relief and assistance

Finally, Agbiz is part of the Industry Coordination Council appointed by Minister Steenhuisen. Aside from providing inputs on the contingency plan, control measures and regulations, several members generously offered support. Agbiz coordinated the approach and helped to supply government vaccinators with critical PPE and private sector parties with disinfectants and equipment needed to apply biosecurity measures.

7. MARKETING, MEMBERSHIP, AND FINANCIAL SUSTAINABILITY

The past two years also saw a steady growth in membership. As it stands, there are 76 companies and 25 associations affiliated with Agbiz. As seen from the graph below, our membership truly is representative of the agricultural value chain. The financial status of the organisation is outlined in the Annual Financial Statements, which are available on request.



7.1 Agbiz marketing, visibility, and stakeholder engagement

An organisation's work is only of value if its work is visible to members. Over the past two years, Agbiz has significantly strengthened its visibility, stakeholder engagement, and industry positioning through a series of well-executed marketing initiatives and strategic events. Agbiz has seen strong growth in its digital communications footprint over the past two years, driven by consistent and strategic content development across its platforms. Website traffic to the Agbiz site has increased by 40%, supported by regular updates to blogs, the gallery, and initiatives such as the centenary bursary, while Agbiz Grain has grown by 62% due to sustained interest in its frequently updated articles and jobs platform. Across social media, Agbiz now reaches a combined audience of 39 973 followers, with notable engagement driven by consistent publishing. This momentum has also been recognised externally, with Temba Msiza awarded Youth Communicator of the Year at the Agricultural Writers Awards 2025. These platforms have complemented the organisation's policy and advocacy work by creating spaces for meaningful engagement, knowledge-sharing, and industry alignment.

7.2 Member roadshows: Strengthening engagement across regions

A key highlight has been the successful rollout of Agbiz member roadshows across major agricultural regions, including KwaZulu-Natal, the Western Cape, the Eastern Cape, and Gauteng.

These engagements have provided an important platform for direct interaction with members, allowing Agbiz to better understand on-the-ground challenges while also updating stakeholders on ongoing policy work, advocacy priorities, and pressing industry developments.

Through these regional roadshows, Agbiz has been able to engage with a significant portion of its membership base, ensuring that its work remains informed, relevant, and responsive to the needs of the sector. The roadshows have also reinforced Agbiz's role as a central convener within agribusiness, strengthening relationships and trust across the value chain.

7.3 Agbiz Media Days: Reframing the agricultural narrative

Agbiz has also successfully hosted flagship media day events, which have become important platforms for engaging with journalists, shaping public discourse, and enhancing the visibility of South African agriculture.

As part of the campaigns initiative, Agbiz and industry partners arranged media sessions that highlight the value which agribusiness brings to the country and local communities. One session focused on ESG within the wine sector, whilst the second one aimed to reposition the fruit industry within the public narrative by showcasing its economic contribution, innovation, sustainability efforts, and social impact. It also sought to address misinformation and highlight the sector's role in food security, environmental resilience, and youth empowerment.

Both media day events recorded strong attendance from leading media houses, reflecting growing interest in agriculture and demonstrating the effectiveness of these platforms in amplifying Agbiz's voice and the broader industry narrative. These engagements have played a critical role in positioning agriculture within the mainstream media to positively influence public sentiment towards the sector.

7.4 Mandela Day initiative: Community impact and social responsibility

In addition to industry-focused engagements, Agbiz has also prioritised community upliftment initiatives.

In July 2025, Agbiz commemorated Nelson Mandela Day through a partnership with SOS Children's Village Mamelodi. The initiative focused on supporting vulnerable children through donations of educational supplies and practical resources, including irrigation kits.

This collaborative effort, supported by several Agbiz members, reinforced the organisation's commitment to social responsibility,

youth development, and community engagement. It also highlighted the role of agribusiness in contributing to broader societal impact beyond core industry activities.

7.5 Driving visibility and strategic positioning

Collectively, these initiatives have enhanced Agbiz's visibility and strengthened its reputation as a leading voice in South African agribusiness.

The consistent growth in attendance and engagement at Agbiz-hosted events, particularly the media days, reflects increasing interest in the organisation's work and the broader agricultural sector. These platforms have enabled Agbiz to effectively communicate key industry messages, foster relationships with media and stakeholders, and position agriculture as a dynamic and essential contributor to the economy.

By integrating marketing, stakeholder engagement, and strategic communication into its broader activities, Agbiz has ensured that its work not only influences policy but also resonates with industry participants, the media, and the public.

8. CREATING A FIT-FOR-PURPOSE ORGANISATION

8.1 Revised organisational structure

The sheer volume of initiatives over the past two years placed huge pressure on our capacity. Our core, regulatory work remains as important as ever, but the decline in state capacity, as well as the immense opportunities afforded by institutional reform and a closer working relationship with many state entities, led us to taking on numerous strategic projects that fall outside of our traditional work. By 2025, it was clear that our role has expanded and so should our capacity.

Under the guidance of the Steering Committee, Agbiz adopted a revised organisational structure that brought in specialist capacity to manage strategic projects and conduct data analysis and research. We also introduced departmentalisation into our structure to iron out bottlenecks and sourced additional capacity with an eye to the future. We are confident that this revised structure will provide the sustainability we need to remain relevant and influential for many years to come.

8.2 Agbiz Centenary Bursary

Over the past two years, Agbiz has continued the tradition of reinvesting in the skillset serving the sector. Two students, Khethiwe Mnguni, MSc Agricultural Economics at Stellenbosch University, and Strelza van Aardt, MCom in Economics at North-West University, were awarded the Agbiz Centenary Bursary to support postgraduate studies in agricultural economics. The research topics were carefully chosen to support the work of Agbiz and be relevant to the industry's enabling environment.

8.3 Achievements of our staff

Finally, our staff at Agbiz are our biggest asset, and it is important to continuously invest in the organisation's own capacity. The majority of the Agbiz team completed a basic project management course to assist us in keeping track of short- and long-term projects and how to report on them.

Other individual courses over the past two years include the following:

- Annelien Collins and Retha Hart completed an Artificial Intelligence Essentials masterclass for office managers and secretaries;
- Retha Hart also completed two financial certificates (Sage Intelligence for beginners and intermediate and Sage Africa bookkeeping fundamentals);
- Liezl Esterhuizen obtained her certificate in business management (foundation level) through ICB;
- Thapelo Machaba completed her BCom Finance degree at UNISA; and
- Temba Msiza received his Advanced Diploma in Strategic Communication Management from the University of Johannesburg.

Our access to platforms continue to set Agbiz apart among industry associations. Senior Agbiz staff continue to hold leadership positions within BUSA, Nedlac, and numerous statutory institutions.

In recognition of the leadership positions that Agbiz staff occupy, two recent developments deserve recognition.

The United States Department of State invited Agbiz CEO, Theo Boshoff, to participate in the International Visitor Leadership Programme (IVLP) in 2026. The IVLP was launched in 1940 and seeks to build long-term relationships between the US and international leaders in government, business, and academia. Past alumni include 500 heads of state, 12 Nobel

Laureates, and numerous cabinet ministers across the world. It is a three-week programme that will be taking place in Washington DC over June and July.

Finally, we cannot understate the achievement of our chief economist, Wandile Sihlobo, who was appointed the special envoy on agriculture and land reform by President Ramaphosa and continues to serve on the Presidential Economic Advisory Committee.

As part of his commitments, he was invited to several overseas economic–diplomacy engagements for the benefit of South African agriculture.

Australia

At the beginning of September 2025, he was invited by the Australian government to visit various industries and key government departments. The main purpose of the visit was to deepen the business and government relations with South Africa, and DIRCO supported the trip. The visit also provided an opportunity for a deeper understanding of Australia's economic diplomacy through engagements with staff at the Department of Foreign Affairs and Trade (DFAT). The primary observation was that senior staff at DFAT demonstrated a strong desire for enhanced collaboration between Australia and South Africa. There is a sense that the relationship could be enhanced in various areas, including trade, investment, research, and education.

United Kingdom

He was requested to accompany Minister Ronald Lamola on engagements with the United Kingdom (UK) leadership in mid-October and participate in the *Financial Times* Africa Summit. The trip offered an opportunity to present the South African agriculture and agribusiness vision on a global platform, but also to gauge the tone of the UK towards South Africa. The UK is one of South Africa's key trading partners and is crucial to the country's agriculture, accounting for roughly 8% of South Africa's agricultural exports. The key takeaways from engagements with the UK Foreign Secretary and other leaders were that the UK leadership remains committed to deeper trade with South Africa (and there were no issues raised; the current framework is appreciated).

Davos

In January 2026, the Department of International Relations and Cooperation (DIRCO) requested Wandile Sihlobo to accompany the international relations minister, Ronald Lamola, to the World Economic

Forum in Davos. Amongst other things, the request came as South Africa's central message in Davos was on economic revitalisation, and the Agbiz inputs were mainly on narrating the agricultural, food, fibre, and beverages inputs to the global investors. South Africa's central message to global investors, as Agbiz added, is that the economy is recovering, supported by reforms in the network industries, amongst other factors. There was also a strong focus on promoting economic diplomacy, with an emphasis on engaging countries that present export expansion potential. Asia and the Middle East were highlighted as promising regions, while the South African leadership also continued to focus on retaining existing markets in Europe, the United Kingdom, the US., broader Africa, and other regions. Another theme that came up sharply in some discussions was a call to strengthen multilateralism and protect key global organisations, such as the World Trade Organization (WTO). A stable and fair global trading environment is essential for South Africa, particularly for agriculture.

These achievements are a feather in the Agbiz cap and testament to the hard work and dedication of our staff.

TABLE OF ABBREVIATIONS

AGOA	African Growth and Opportunity Act
AgriSETA	Agricultural Sector Education Training Authority
ASEAN	Association of Southeast Asian Nations
ATF	Agricultural Trade Forum
B-BBEE	Broad-Based Black Economic Empowerment
BUSA	Business Unity South Africa
CITES	Convention of International Trade in Endangered Species of Wild Fauna and Flora
CoC	Certificate of Compliance
DEIB	Diversity, Equity, Inclusion, and Belonging
DFFE	Department of Forestry, Fisheries and the Environment
DIRCO	Department of International Relations and Cooperation
DoA	Department of Agriculture
DTIC	Department of Trade, Industry and Competition
EFTA	European Free Trade Association
EPA	Economic Partnership Agreement
ESG	Environment, Social, and Governance
ESOPS	Employee Stock Ownership Plan
EU	European Union
FATF	The Financial Action Task Force
FTA	Free Trade Agreement
GDP	Gross Domestic Product
ICB	International Certifications for Business

ITAC	International Trade Administration Commission of South Africa
IVLP	International Visitor Leadership Programme
KPI	Key Performance Indicators
KVA	Kilovolt ampere
MFN	Most Favoured Nation
Nedlac	National Economic Development and Labour Council
PPE	Personal Protective Equipment
PPP	Public–Private Partnerships
PTA	Preferential Trade Agreement
RFI	Request for Information
RFP	Request for Proposal
ROSCO	Transnet Rolling Stock Leasing Company
SA	South Africa
SACU	Southern Africa Customs Union
SACUM	SACU plus Mozambique
SADC	Southern African Development Community
SANRAL	South African National Roads Agency SOC Limited
SHEQ	Safety, Health, Environment, and Quality
TFR	Transnet Freight Rail
TRIM	Transnet Rail Infrastructure Manager
UK	United Kingdom
UNISA	University of South Africa
US	United States