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Media release

South Africa's Agricultural Conditions Report, Q2, 2025

On 07 August 2025, the Agricultural Conditions Assessment Committee of South Africa (ACAC), under the Department of Agriculture, held its second quarterly meeting for 2025. The ACAC deliberated, amongst other things, on the statistical matters and the stress-testing of the data quality that supports the calculation of the quarterly gross domestic product from the agricultural sector (AgGDP). The Department of Agriculture is currently undertaking a benchmarking exercise to review the current methodologies applied in the calculation of the AgGDP. Furthermore, there will be regular reviews of the data and methodologies.

The ACAC also discussed the agricultural conditions in the country, and the following is the Committee's brief assessment. The ACAC currently views the year so far as broadly uneven for the South African agricultural production.

In field crops, the output is up from the 2023-24 season, boosted by the favourable rainfall. But there are some specific challenges. For example, the 2024-25 summer grains and oilseed are estimated at 18.74 million tonnes, up 21% year-on-year. But there are some quality grades, mainly on white maize due to excessive late summer rains, which implies that a significant portion of the white maize harvest is trading at a discounted price, which could negatively influence the profitability for the farming businesses, despite of a bigger crop.

Sunflower seed production has been negatively affected by Sclerotia, which has affected the size of the crop negatively and consequently sunflower seed prices are also trading around 5% higher than the same period previous year. Still, the volumes are decent and will meet the domestic needs. The ACAC also viewed the 2025-26 winter crops, currently in season, as favourable. The areas plantings are up from the last season, and the favourable rainfall have supported the season so far. In the sugar cane industry, the volumes are decent, and also benefited from the better rainfall in the 2024-25 season.

In livestock, the beef farmers and dairy producers continue to face a challenging environment due to foot-and-mouth disease. The disease and the slow process of vaccination will weigh on the profitability of farming businesses. But the one positive aspect is the better feed prices the ACAC is starting to observe, following the large soybean and maize harvest.

Due to a soybean crop of more than 2.7million tons and ample crushing capacity, South Africa is self-sufficient in soybean meal and prices are trading at a significant discount compared to import parity prices. The better animal feed prices are also in a year when the feed production volume is recovering. The better feed volumes and prices will benefit the poultry and the pork producers, who are also not facing as challenging an environment as the cattle and dairy producers.

Regarding fruits, the 2024-25 season has been a period of recovery. The citrus volumes, deciduous fruits, table grapes, and other fruits are all in better conditions, and the harvest is up from last year. The ACAC also sees better volumes and quality in wine production. The primary concern for the horticulture and wine producers remains the trade policy, particularly the friction in the US market.

The production conditions for vegetables are also fair, benefiting from favourable rainfall. There are, however, periods of delays in areas where we often see excessive rain.

As South Africa approaches the start of the 2025-26 summer crop season, the ACAC also viewed the outlook for input costs. The emerging concern is the slight rise in the prices of various inputs like fertilizer. Diesel prices are marginally lower (-5%) compared to 2024, mainly due to lower brent crude prices. Depending on whether the prices remain at slightly higher levels, there could be slight pressure on input costs in the coming months.

Overall, the ACAC views South Africa's agricultural operating conditions as uneven, but leaning more to the positive. The concern is mainly on the livestock industry, while the other subsectors see a promising operating environment with higher volumes compared to the past season.

About the Agricultural Conditions Committee (ACAC):

The ACAC comprises various industry and commodity associations (Agbiz, Agri SA, Grain SA, AFMA, SATI, CGA, Fruit SA, MPO, Hortgro, SA Wines, Potatoes SA, amongst others), research organisations such as the Bureau for Food and Agricultural Policy, and other statistics users such as the SA Reserve Bank and Stats SA.

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