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## Agbiz reaction to the SONA 2025: Focus is key in the face of global uncertainty

In the face of increasing global instability, South Africa needs to do all it possibly can to increase the competitiveness of our economy. Agbiz Chairperson Sean Walsh emphasises this urgency, stating, “The opening sentences of the President’s State of the Nation Address clearly set out the magnitude of the challenges we face through increasing global conflict and political polarisation, trade protectionism, and climate change. Other economies face the same challenges, which is why, more than ever, it is important for the government to do all it possibly can to give private sector companies an even level to compete.”

Expanding on these points, Agbiz CEO Theo Boshoff highlighted the importance of structural reforms and a well-defined framework for public-private partnerships in driving economic competitiveness, saying, “We are pleased to hear that the recommendation made by Operation Vulindlela continues to receive political support. We have made great strides towards creating a competitive market for freight rail and require the same efforts in relation to our ports. We are already seeing the benefits of these efforts in the energy sector and need to stay the course for our logistics framework to be turned around. Agbiz and industry partners are actively engaged in public-private partnerships, but some uncertainty still exists around contracting models and cost recovery mechanisms. The President’s focus on creating an enabling environment for public-private partnerships is welcomed, and we look forward to engaging on these changes.”

Mr. Walsh also welcomed the focus on local government, highlighting its critical role in economic development: “Agribusinesses operate in rural areas where poor service delivery and infrastructure decay is often the biggest stumbling block to job creation and talent retention. The current situation is untenable, and we have been calling for greater accountability, from a fiscal point of view, for some time now. The White Paper on local government must address this issue.” Finally, Mr. Walsh stressed that South Africa cannot afford to isolate itself from the global economy: “We are a small, open economy that is very, very reliant on foreign investment and export-led growth. We fully support the initiatives to improve our own competitiveness. However, we also need the government to provide strong leadership and position South Africa as an independent leader with moral authority in a volatile international climate.”

### For inquiries:

Temba Msiza

Agbiz Digital Communications Manager

[temba@agbiz.co.za](mailto:temba@agbiz.co.za)