AGRICULTURAL TRADE DIGEST



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Remain focused on domestic matters that are key to SA's agricultural growth

- In political economy, there is something called "flooding the zone". Roughly explained, this is when a deluge of information takes people's attention away from what should be a priority. In South Africa's agriculture, we are fortunately not under such an attack through the flood of information. Still, we must continuously be vigilant and reflect thoughtfully on risks affecting the sector.
- In recent weeks, the focus has primarily been on trade matters and the U.S. tariffs, understandably so because the U.S. is a valuable market for South Africa's agriculture. The U.S. reciprocal tariffs are imposed when the citrus industry is at its export season; therefore, our focus on these issues should be paramount. Equally, concerns about the sustainability of the Government of National Unity and the fiscal problems that dominate the domestic conversation are warranted as these place a sharp spotlight on South Africa's political futures and the plight of economic renewal.
- Yet still, we must not allow other important domestic issues affecting the sector to be drowned by political noise. One such area is the continuous effort to control animal diseases. South Africa has made enormous progress following challenging years of avian influenza, African swine fever, and foot and mouth disease. However, we continue to learn about the foot and mouth disease outbreaks in parts of KwaZulu-Natal and some lingering cases in the Eastern Cape. This means animal health should remain a priority for South African agricultural authorities and organized agriculture.
- In South Africa's inclusivity journey, the livestock industry will likely play an even more critical role and is amongst the valuable subsectors of agriculture. Therefore, ensuring sufficient resources in this area and continuous government collaboration with stakeholders such as the Red Meat Industry Services, South African Pork Producers' Organization, National Animal Health Forum, South African Poultry Association, and others is key.
- Equally, while South Africa does not suffer from the rife avian influenza we are witnessing in the U.S. and parts of the UK, there should be increased work to prepare the sector for potential outbreaks. This would involve learning from the last outbreak and efficiencies in registering the vaccines the poultry producers have been calling for. Admittedly, we cannot know when and how the new outbreak will be. Still, ensuring that South Africa's regulators are agile is key. The poultry industry and egg producers are key to the food security and vitality of some of South Africa's small towns. Thus, we should observe the

challenges of the U.S. with animal diseases and equally take note of the calls for agility in vaccine registration and move faster.

- The poultry industry and livestock account for roughly half of South Africa's farming economy. Thus, ensuring the efficient operation of this subsector is key to the success and growth of the South African farming economy. If South Africa succeeds in resolving and preparing for the animal disease challenges, the subsector will be on a better path in some of its operational conditions. For example, the favourable summer rains have helped improve the grazing veld across the country and benefit the livestock. Moreover, the better outlook for maize and soybean production has also led to the easing of the maize and soybean prices, which are key feed ingredients.
- Last year, the resumption of various export markets ensured that South Africa continues to build its red meat and livestock products exports. To sustain this momentum, the continuous collaboration between government and organized agriculture on animal health is vital. In addition to animal health matters, the South African authorities will need to increasingly focus on livestock theft, which remains a challenge in some communities and financially burdens farmers.
- Overall, while we must focus on significant themes shaping the country and the global environment, the officials at various government departments and industry groups must not lose sight of the importance of the day-to-day operational matters that are key to the success of our sector. In this case, animal health is one such aspect that requires consistent focus.