

Agbiz media statement

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SONA strikes the right notes but must be followed by urgent action

According to Agbiz chairperson, Francois Strydom, "President Cyril Ramaphosa's State of the Nation Address (SONA) spoke to most of the critical issues facing agribusiness today namely energy security, logistics, water security and infrastructure. We hope that the new positions being created within the Presidency will provide the necessary impetus for solutions to be found as business need urgent interventions."

Agbiz CEO, Theo Boshoff, noted that an expectation has been created that must be fulfilled. "Agbiz, research institutions, government and partners in the agricultural value chain have worked tirelessly as part of Minister Thoko Didiza's task team on energy security to negotiate workable solutions to ensure food security. As the president noted, it is a complex problem as solutions are guided by technical limitations in the grid and a lack of clear guidance on the requirements for alternative load-shedding schedules that could better align with the needs of industry. Centralising decision-making within the Presidency will hopefully inject much-needed urgency and provide a response to the proposals the task team has made. We look forward to further engagements in this regard. The declaration of a State of Disaster represents a clear statement to move forward with greater speed in addressing the energy crisis. This needs to be done in a very focused manner without unnecessary disruption to business or society at large."

"Agribusinesses are the lifeblood of rural towns and bear the cost of poor service delivery. These companies invest considerable resources into maintaining infrastructure and providing services to businesses and communities alike. Through initiatives such as the Agbiz Rural Rejuvenation Initiative, businesses can learn from each other's experiences to improve their operating environment but more must be done to ensure accountability. We welcome the president's emphasis on improved financial and administrative management in local government and call on national and provincial government to intervene where standards are not adhered to by local government."

Mr Strydom also supported the president's announcement that over 1 million title deeds will be awarded to poor households and called for this initiative to be extended to rural areas where the beneficiaries of land reform continue to languish under insecure tenure rights.

Mr Boshoff noted that the theme of public-private partnerships ran as a golden thread through the SONA. "The president has called upon social partners to come forward and partner with government. Agbiz has been at the forefront of this call through its work on the Agricultural and Agro-processing Master Plan and the negotiation of an Interface Agreement with Transnet to establish agro-logistic corridors that are fit for purpose. The industry has demonstrated its goodwill and we now look forward to practical solutions backed up by a real commitment to resolve the serious challenges facing our sector."

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