

19 June 2024

Agritourism exemplified in the South African wool industry

- We are emerging from a week of celebrating the South African wool and sheep industry. On June 13, South Africa's National Wool Growers Association held its annual Congress in Gqeberha in the Eastern Cape. The discussions at the Congress were about inclusive growth and transformation, taking stock of the gains we have made since the dawn of democracy. We have not fared badly. I was encouraged by the spirit of the discussions and the sense of optimism in the sector.
- A consensus emerged on five areas that should be a primary focus in transformation. First, the South African government and wool industry must work collectively to improve genetics for the new entrant farmers and to assist the existing commercial farmers where there is a need. Second, the government and the wool industry must work together to develop infrastructure for the new farming areas and the former homelands regions of South Africa; this is key for success and depends mainly on the resources the government makes available. Third, skills and training remain vital for new entrant farmers; the National Wool Growers Association and other regional farmers could assist in this path. Fourth, animal disease remains a significant concern. The Department of Agriculture, Land Reform and Rural Development should lead the efforts in addressing this challenge collaboratively with the agricultural sector. Work is already underway in this regard. Lastly, the theme of land reform and blended finance also emerged from the discussions. The central point was that the government should continue releasing over two million hectares of the state land to beneficiaries with title deeds and pair that with blended finance. Such a policy step will go far in broadening ownership in the sector.
- Once again, it became clear that achieving inclusive growth and transformation is possible when government works with the sector and when state capabilities are geared for delivery. This is particularly more so with respect to fixing municipal infrastructure. The incoming administration must urgently address the costs of failing municipalities and poorly maintained roads, particularly within the Eastern Cape and the Free State.
- The subtle theme, which is vital but perhaps did not dominate the discussion, is a need to search for export markets while ensuring continuous access to China. This essential Chinese market accounts for roughly 70% of South Africa's wool exports. While this is good for the sector, this level of concentration has risks.
- A day after the National Wool Growers Association 2024 Congress, the wool growers went to another exciting event, the Karoo Winter Wool Festival in Middelburg, which is the Karoo region of the Eastern Cape. The festival is one of the few areas where one can appreciate the sheep industry's entire value chain.

- The hive of activities in this festival was marked by exhibitions of sheep shearing, spinning, weaving, dyeing, felting, and all other fibre crafts of the clothing industry. Fashion shows were galore, showcasing a range of clothing made of wool, yet another testament to South Africa's economic vibrancy. There were also leather material products on display in various stands, with craftsmen readily explaining the origins of the material and the design of clothes. At lunch, one could find nourishing mutton and lamb products from the Karoo and various regions of the country.
- Those in the "knowledge economy" also had time and eager audiences to share views about pressing issues in the country. Our input in these discussions focused on South Africa's agricultural sector 30 years into democracy and also leaned on our new book "[A Country of Two Agricultures](#)". We also shared views about the new administration's possible agricultural policy path.
- The Karoo Winter Wool Festival exemplify the strength of the agritourism industry in South Africa. Many other value chains and commodities should follow a path where there is a weekend to celebrate a particular commodity and showcase all the value chain activities. This is necessary to promote the industry's image and help consumers understand the value chains of the agriculture, food, fibre, and beverages industries.
- Such effort is necessary because, in the cities, people are often divorced from the value chain. Some often think their exquisite leather handbag, shoes, jackets, or jerseys comes from their favourite clothing shops. They rarely picture sheep, goats, cattle, or ostrich being slaughtered for the leather to use in their bags. Similarly, those who wear their nice cotton clothes or woollen jerseys rarely think of sheep or cotton fields when they shop for their favourite items. We don't usually draw connections between the finished product and the supply chains — the real story of how supply chains work is not well told.
- With small and rural towns in South Africa deteriorating while the farming sector and agribusiness are still active, it may be well worth promoting agritourism. This would be a way to support declining towns and help South Africans fully appreciate the agricultural value chains and the interconnectedness of the sector to our lives.
- The schools and universities also have a major role to play here to ensure students are well-versed in the sector and its various value chains. This also allows students to see multiple career opportunities within agriculture and its value chains. The young people's exposure can also help attract their creative minds to agriculture and bring about innovative paths that the incumbents may lack.
- The past week of the show showcasing the South African wool industry is an approach many commodities and their value chains should emulate. The benefits of promoting the commodity to the regions that farm in those commodities could be immense over time. This will also be the sector's additional contribution to the rural communities of South Africa.