

From the CEO's desk

Dear Agbiz member

It may only be February but 2022 has already delivered a whole new host of challenges and opportunities. A significant development was that the fourth wave of Covid-19 and the dreaded Omicron variant did not lead to renewed economic restrictions. In fact, pressure is now mounting to end the national state of disaster altogether and Agbiz is involved in Nedlac processes aimed at moving the basic risk assessment, mask-wearing and contact tracing requirements to ordinary legislation.

Agricultural conditions are still overwhelmingly favourable in most of the country. Aside from notable areas such as the Eastern Cape, the La Niña weather phenomenon has brought above-average rainfall to many areas of the country. Unfortunately, it has proven to be too much of a good thing for some areas as several districts have seen significant damage from flooding.

From an Agbiz point of view, we bid farewell to our leader of 14 years in December 2021 as Dr John Purchase entered retirement. With changes also come opportunities and we welcomed Ms Annelize Crosby to the Agbiz team this month as the new head of Legal Intelligence. Finally, following a series of member engagements last year, the administration will embark on several new initiatives for 2022 that the administration is excited to share with members.

Trade and Supply Chains Committee

Logistics is an emerging challenge that seems to be common to all members. This can range from the congestion at seaports for export commodities, challenges at land borders, interruptions in rail service and deteriorating road conditions in many rural areas. Whilst the focus should remain firmly on opening up new markets for South African products, we need an efficient logistic network to reach those markets.

Many members are doing excellent work on the operational level with Transnet and other key stakeholders. That being said, there is a need to share information and collaborate across value chains. Agbiz also has access to various high-level platforms where the logistic challenges can be raised and it is important to align the message being communicated to critical stakeholders. There is also the need to focus on long-term solutions such as public-private partnerships to improve efficiencies.

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At the same time, there are multiple efforts underway to open access to new markets for South African products. Different value chains will always have their own unique challenges but often there are limited seats at the table when trade matters are discussed. For this reason, collaboration across value chains is critical.

Agbiz is well placed to play a facilitating and coordinating role. The administration is currently drafting the terms of reference and will soon extend the invitation to stakeholders in various value chains. Any members that have an interest and would like to participate are encouraged to contact the office. This idea is not to duplicate any of the excellent initiatives already underway but rather to coordinate efforts across value chains and support the initiatives already taking place.

Rural Development Strategy

The failure of local government to provide basic services and maintain infrastructure is reaching boiling point in many rural towns. This adds an additional cost to business and agribusinesses often have no choice to fill the void or to put measures in place to become self-sufficient. There are limits to what Agbiz can do from a national level but a coordinated approach is needed to cluster initiatives and share best practices. Under the umbrella of a rural development strategy, Agbiz will focus on facilitating discussions between members and external experts to share best practices and learn from the experiences of others. From an advocacy side, the administration will also lobby for specific mechanisms to allow agribusinesses to operate self-sustainably and where possible recover some of the costs through in-kind relief. This is a special project which Agbiz will drive as a matter of urgency.

Message to members

Although the year is well and truly underway, we wish members a prosperous year and look forward to tackling these challenges with vigour and in partnership with members.

Yours sincerely



Theo Boshoff
Agbiz CEO