

SONA a mixed bag on agriculture

Similarly, to 2020, in this year's State of the Nation Address (SONA), President Ramaphosa reaffirmed the government's commitment to ensuring that agriculture continues to be amongst the key sectors that will drive growth and job creation in South Africa. The President's message centered around the Agricultural and Agro-processing Master Plan's potential role in driving expansion and development in the sector, with success already evident in the sugar and poultry master plans. The broader Agriculture and Agro-processing Master Plan is nearing completion, and we expect its launch within the first quarter. The strength of the master plan is the joint-venture approach amongst social partners that underpins it. The President pointed to a similar emphasis, stating that "this provides an opportunity for further public-private partnership in agriculture to promote transformation and ensure sustainable growth."

Trade is another important aspect highlighted, focusing on the African Continental Free Trade Area (AfCFTA), which came into operation on 1 January 2021. South Africa's agricultural sector is export-orientated, and the African continent is its largest market – accounting for 38% of the US\$10,2 billion exported in 2020. The AfCFTA offers an opportunity to expand agricultural exports beyond the SADC region, where South Africa's agricultural exports are currently concentrated.

Nevertheless, we were disappointed to hear the continuous emphasis on the expropriation of land as one of the levers that government is committed to utilizing for land reform purposes, mostly if this still leans on the potential amendment of Section 25 of the Constitution and not just the updated Expropriation Bill. There was also limited information about the planned land and agrarian reform agency, which will be utilized to fast-track land reform. We look forward to getting more details about how such an agency will be structured and what will ensure a greater level of efficiency than how the government has been managing land reform.

We were also disappointed that the government did not commit to releasing more state land to potential beneficiaries. We understand the State has over two million hectares of land supply. Such land could be utilized for true commercialization of black farmers, especially if it is accompanied by a transfer of land rights to potential beneficiaries opposed to a non-tradable lease as is the case with the recent 700 000 hectares currently being released to beneficiaries.

Overall, the agricultural message within the SONA was a mixed bag; an acknowledgement of the farming potential to create jobs and foster growth, yet a hazy view on land policy and support programmes for land reform beneficiaries. There may also be an over-reliance on the master plans; time will tell if it will genuinely deliver on its promise.¹

¹ President Cyril Ramaphosa: 2021 State of the Nation Address:
<https://www.gov.za/speeches/president-cyril-ramaphosa-2021-state-nation-address-11-feb-2021-0000>

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Wandile Sihlobo

Chief Economist

+27 12 807 6686

wandile@agbiz.co.za

www.agbiz.co.za

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