

OPINION PIECE:

Forecasts give drought cloud a silver lining

By Wandile Sihlobo, [Business Day](#), 29 October 2019

When you fly over SA at this time of year it is noticeable how brown the cultivated fields are, especially in the central and eastern regions of the country.

This typically reflects planting before the new summer crop season, but this year it is not because of farmers tilling the land but due to persistent dryness. Most farmers have not started planting for the 2019/2020 production season due to the lack of rain.

In provinces such as the Eastern Cape, Northern Cape and Limpopo, drought is not solely a challenge for agriculture but also for households, many of which are struggling for water supplies.

For most of the Eastern Cape and Northern Cape, drought has been a reality for some time, so the elevation of the challenge to a national discussion might help pressure the authorities to respond to the challenge by deploying water tanks and other support measures to drought-affected areas.

The broader question is the possible effect of the dryness on the SA agricultural sector, and the effect thereafter on consumers. While the drought is taking its toll on the livestock sector in affected areas, the near-term weather outlook provides hope. Writing in its Seasonal Climate Watch issue of September 30, the SA Weather Service noted that between November 2019 and January 2020 the central and eastern regions of SA could receive above-normal rainfall.

At the time of writing, wxmaps.org, a George Mason University weather and climate data website, indicated the prospect of rainfall over most regions of SA in the first two weeks of November. This supports the view of the local weather bureau that the dry cycle could be broken in November.

Farmers are optimistic about the season ahead. The farmers' planting intentions data released by the crop estimates committee on October 24 showed that farmers intend to increase plantings of summer crops — maize, sunflower seed, soya beans, groundnuts, sorghum and dry beans — by 7% year on year to 3.9-million hectares.

The crops underpinning this potential uptick in area plantings are maize, sunflower seed, soya beans and groundnuts, partly due to relatively attractive domestic market prices. Meanwhile, sorghum and dry-bean hectares could decline notably from the area planted in the 2018/2019 production season.

In seasons with sufficient rainfall, farmers have always managed to meet their expected hectares for planting. I am therefore optimistic that if the expected rainfall materialises, SA might have a better season than what is feared.

In the case of our staple grain — maize — the last time SA planted anything close to the 2.5-million hectares intended by farmers this season was in the 2016/2017

production season. This led to a record harvest of 16.8-million tons. While I am not suggesting we will attain this in the 2019/2020 production season, an increase in the currently intended planting size, accompanied by sufficient rainfall, could lead to a good harvest and a decline in commodity prices. This would subsequently bode well for consumers from 2020 to the start of 2021.

The next two weeks are crucial in determining whether such a positive picture as the 2016/2017 production year materialises, especially for the eastern regions of SA, where the optimal planting window for maize closes in mid-November. The western regions can plant until mid-December.

Aside from the weather challenges, the 2019 medium-term budget policy statement could introduce the structural economic reforms the agriculture sector needs. Agriculture is likely to feature because of its potential to unleash rural economic activity and create jobs.

The Treasury's economic policy working paper championed joint-venture approaches in agricultural development and easing access to finance for developing farmers. The minister's speech could cement this view or provide further insight on the thinking of policymakers about the agricultural sector.

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