

## OPINION PIECE:

### **New plan needed for SA agriculture success**

*By Wandile Sihlobo, [Business Day](#), 13 November 2019*

SA's political leaders often mention agriculture as one of the sectors that will boost our economic fortunes and create jobs in rural areas. For a long time, this has been stated without a clear practical execution plan.

The National Development Plan (NDP) is one of the few documents that comes close to providing a framework for achieving this ambition. This is through its identification, in chapter six, of agricultural subsectors that should be a key focus for development — mainly horticulture — and the processes to be followed to unlock the value of agricultural production. There is a need for irrigation systems, market linkages and increased investment.

There is now an opportunity to transform the NDP view into an implementable plan through the government's sectoral master plans, which are now being drafted. In the past week trade, industry & competition minister Ebrahim Patel released a poultry master plan. This has been met with enthusiasm by some private sector participants and various stakeholders and is an important signal of broad-based support for what the government is suggesting.

The positive collaborative view needs to extend further than only one subsector. Poultry is a perfect example to illustrate this point due to its linkages to other subsectors, such as the maize and soya bean industries. A holistic approach in the form of a comprehensive set of broad-based measures in the agricultural economy is critical for the country. Developing this set of measures requires the government and the private sector to be fully engaged at the drafting stages of the agricultural master plan, underlined by a common vision about its final outcome.

In its recent economic policy paper "A Contribution Towards a Growth Agenda for the SA Economy", the Treasury rightly notes that "innovative joint ventures have been shown to boost agricultural production and promote agrarian transformation and should, therefore, be supported".

I concur with this view after having spent a great deal of my time interacting extensively with farmers and agribusinesses across the country. The sentiments expressed in the Treasury policy paper align with the sentiment I get from my various engagements with agriculturalists.

Some commercial farmers are increasingly realising that they cannot stand on the side in the face of rising unemployment and inequality in the rural areas, as it might indirectly affect their businesses. But some have expressed frustration that there is no clear and practical path about how to contribute to the vision of building the SA rural economy hand in hand with the government.

The agricultural master plan that is being developed should respond to this “gap” by identifying priority subsectors, rules of engagement, priority regions for development and available incentives, among other matters.

Some of the aspects that could be included in the thought process is what the Treasury already started to hint at, highlighting that agricultural development requires “creating an enabling environment for investment, including financing solutions for farmers; adequate and affordable agricultural insurance; improved extension services for smallholder and emerging farmers; enhanced trade promotion, market access, and access to water for irrigated agriculture; as well as investment in establishing innovative market linkages for smallholders”.

The agricultural master plan should then provide a practical framework for operationalising some of these ideas.

Admittedly, government resources, specifically financial, are limited. It is clear that against this reality the government will not be able to single-handedly drive rural development. This is where private sector participation should come in, either on partnership approaches or any form of investment. Last week I attended an Eastern Cape agricultural conference organised by co-op Humkoop, which showcased various agricultural development initiatives that are taking shape in the province, partially driven by private sector investments, the government and the community.

Other provinces also have such initiatives, and these approaches should be reflected in the thinking for the agricultural master plan. Most importantly, other line departments such as human settlements, water & sanitation and trade, industry & competition, should align their agriculture-related work to what the department of agriculture, land reform & rural development is envisaging or planning. There needs to be better coherence and coordination at national and provincial level.

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