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OPINION

THABILE NKUNJANA: Thoko Didiza did well on agricultural market access and performance

The challenge for the new minister is to establish an atmosphere that fosters growth and minimises the need for government intervention

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by THABILE NKUNJANA

Thoko Didiza. Picture: GCIS/KOPANO TLAPE

There is pressure on every new minister to preserve SA's existing export markets and develop new ones. With the growing output of the industry and the influx of new farmers into various agricultural industries, this is becoming increasingly significant over time.

Top exportable agricultural products from SA, such as citrus fruit, pome fruit, beef and wool, have seen a sharp increase in production over the years.

Thus, like her predecessors as minister, Thoko Didiza faced mounting pressure to increase SA's agricultural exports and integrate as many newly established farmers as possible into the value chains of the agricultural sector.

Strong trading markets are crucial for SA as it navigates the current global unpredictability's. Didiza's administration was informed that geopolitics posed a serious threat to international trade in the modern era.

SA benefits from its current trading partners. These include the country's long-standing trade ties with the Southern African Development Community and Europe, duty-free market access to the US, and the growing significance of Asia to its export goals.

SA still has a lot of potential markets with the Brics+ countries, particularly China and India. The former minister also recognised the growing significance of bilateral trade agreements for the country, as seen by the accords listed below.

Through further bilateral trade agreements the country made significant strides towards broadening its market footprint in agricultural trade between 2023 and the beginning of 2024, hence increasing opportunities for farmers. Along with other market interventions, new trade agreements were signed. These included:

- Beef exports to China and Saudi Arabia
- Avocados exports to China and Japan
- Oranges to Vietnam
- Rooibos tariffs reduced for the Chinese market.

SA's agricultural exports grew significantly in value under Didiza's leadership, setting three new records in 2021, 2022 and 2023.

Agricultural exports generated \$58.7bn (R949.2bn) in total during her five years in the government, a 22% increase over \$48.1bn (R620.2bn) generated before her taking office. This was the highest export earnings in the history of the agricultural sector in democratic SA.

One of the objectives of SA's democratic government is to restructure the country's traditional agricultural sector by providing opportunities for formerly marginalised small-to-medium-sized emerging farmers. This was one of the main priorities of Didiza, who was running for a second term and was well versed in the sector.

To create an internal strategy and collaborate closely with different stakeholders, the National Agricultural Marketing Council, an organisation that reports to the minister, worked with the various parties to open up markets to new entrants.

As a result, throughout the course of the previous five years at least 1,140 small-scale emerging farmers were linked to a variety of market opportunities across agricultural industries.

About 210 black small-scale farmers — 42 of whom were youths, 128 of whom were male, and 82 of whom were female — were linked to markets during the fiscal year 2023/24.

The Agriculture & Agro-Processing Master Plan's (AAMP's) National Red Meat Production Schemes, previously known as the National Red Meat Development Programme, produced R19.7m for small-scale farmers in 2020 through 11 auctions held in KwaZulu-Natal, the Eastern Cape and the North West.

Considering the market milestones the previous administration attained, the current administration has a lot of work ahead of it. Even while other areas of the industry's growth and development have not progressed as quickly, there is no denying that over the last five years much has been accomplished, including the creation and signing of the AAMP.

Not everyone finds the AAMP to be flawless, but it is still the greatest document out there designed to achieve the inclusive growth the majority of SA deserve.

The lack of consistency between administrations has been one of the shortcomings of the past administrations. The sector has grown significantly because of earlier policies and initiatives such the National Development Plan, Fetsa Tlala and Operation Phakisa, to mention a few, but there have occasionally been issues with their integration.

With the help of these plans or strategies several objectives were accomplished, maybe the mistake was in not keeping track of or sharing their respective successes. Newly appointed agriculture minister John Steenhuisen has reaffirmed his intention to carry on with the AAMP project.

This is a good first step towards closing the possible gaps left by the past administration's incoherence. The new minister would wish to consider the following while settling to his role, since SA operates in an unstable environment that is seemingly becoming less globalised:

- With the escalation of geopolitical tensions and their possible effects on international trade, the country needs to exercise extreme caution when engaging on the world stage. This includes looking at the near-future developments while not giving a blind eye to long-term goals;
- Adhere to the present AAMP objectives and make improvements as needed; and
- Establish tight collaboration with supporting industries, such as transport, which are essential for market access and sustainability of the agriculture sector.

One of the numerous obstacles Steenhuisen will face is market access. The agricultural sector in SA has ample opportunities for all. The challenge now is to establish an atmosphere that fosters growth and minimises the need for government intervention, while still allowing for state engagement and intervention when necessary.

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