

Drought is costing South African agriculture sector billions

The agricultural body that represents nearly 28,000 commercial farmers across the country is calling on the government for financial aid to address the debilitating drought wreaking havoc across the country, which has cost the industry billions of rand.

The industry contributes 2% to the economy, which is projected to grow 0.6% in 2019. It employed about 880,000 people between July and September 2019. Its contribution to the GDP fell from 4.2% in 1996 to 2.4% in 2018, and its value from R50.5bn to R74.2bn over the same period.

SA is the most food-secure country in Southern Africa, with agriculture viewed as the best vehicle to address poverty and revive rural economies, according to agricultural organisation Agri SA.

However, the drought is threatening the livelihoods of SA farmers and their workers as there seems to be no end in sight to the dry spell that has resulted in the deaths of thousands of livestock. Farmers were also behind schedule in planting summer crops including maize, soybeans, sunflower, sorghum and peanuts.

In October, human settlements, water and sanitation minister Lindiwe Sisulu pleaded with South Africans to use water sparingly to avoid the taps running dry, saying a masterplan to address the water crisis will be unveiled soon.

On Tuesday, Agri SA briefed the media on the impact of drought in the sector and the crisis it has had on the rural economy. The briefing was also addressed by Grain SA CEO Jannie de Villiers; Red Meat Producers Organisation CEO Gerhard Schutte; Milk Producers' Organisation CEO Chris van Dijk; and Wildlife Ranching SA's Adri Kitshoff-Botha, among others.

Willem Symington, Agri Northern Cape's disaster management committee chair, said 37.44% of settlements in SA are affected by drought. He said real agriculture output was 9.2% lower in the first half of 2019 than in the corresponding period of 2018.

[R1 = €0.06]

Source: [cbn.co.za \(https://www.cbn.co.za/featured/sas-drought-is-costing-the-agriculture-sector-billions-of-rand/\)](https://www.cbn.co.za/featured/sas-drought-is-costing-the-agriculture-sector-billions-of-rand/).

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