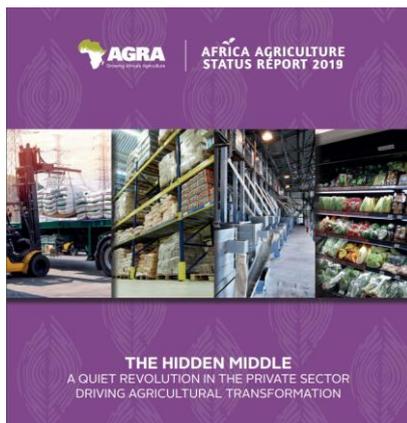


6 September 2019

ASSR focuses on private sector's role in agriculture transformation



The 2019 African Agriculture Status Report (AASR) was launched on 3 September 2019. The [2019 report](#) focuses on the role of private sector in agriculture transformation. Specifically, the report highlights the trends and progress, as well as challenges and constraints of private sector firms in the upstream and midstream/downstream off-farm components of the agri-food system. Large African enterprises play a relatively minor role in directly supporting small-scale farmers in Africa. This year's report says, for example, only about 5% of rural farmers are directly linked to large firms through contract farming. SMEs are the biggest investors in building markets for farmers in Africa today, and will likely remain so for the next 10 to 20 years. They are not a 'missing middle,' as is thought, but the 'hidden middle,' ready for support and investment to thrive further. General manager of Agbiz Grain Mariana Purnell highlights the key messages of the report in the [linked article](#).

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New series on agribusiness in Africa: Zambia impression



African countries outside of South Africa remain potential agriculture and agribusiness investment destinations, but doing business in Africa holds many and varied risks and challenges. While there are challenges that are

common to all countries, such as infrastructure limitations, each country must be viewed and considered separately due to many challenges and risks, but also opportunities and strengths, being characteristic to a particular country. One of the Agbiz members, Valuechainsolutions, operates in many of these countries and has offered to provide readers of the Agbiz newsletter with their impressions of developments and doing business in certain countries. The first country considered in this series is Zambia. Please click on [Impression of Zambia](#) to peruse most interesting perspective on this country. The views are those of the authors, and not necessarily of Agbiz.

POLICY AND LEGISLATION

National Treasury consults on proposed changes to tax regime



National Treasury recently published a number of draft Bills that would amend to tax regime in South Africa, and more specifically the taxation mechanisms designed to attract investment into SMEs and special economic zones (SEZ). At a

recent consultation session held at the SARS offices in Pretoria, industry had the opportunity to interact with the policymakers and gain insight into the implications which these would have for their members. Agbiz head of Legal Intelligence Theo Boshoff reports on the meeting in the [linked article](#).

Agbiz puts advisory panel's report in perspective



In an interview on the KykNET programme *Grootplaas* last week, Theo Boshoff provided context to the report of the Presidential Advisory Committee

on Land Reform and Agriculture. Please [click here](#) to watch the interview.

AGRIBUSINESS RESEARCH

Rainfall outlook spells good news for southern African crop production



This has not been a good year for southern Africa's agricultural economy. The drought that started in October 2018 in some countries in the region and continued into 2019 has led to a double-digit decline in crop harvests. Take Kenya, South Africa, Zimbabwe

and Zambia: maize production in the 2018/2019 production season fell year on year by 20%, 12%, 53% and 16% respectively, according to the latest estimates from the International Grains Council. But there is cause for hope for southern Africa's 2020 agricultural performance, writes Agbiz chief economist Wandile Sihlobo in the [linked article](#), written for and first published in *Business Day*.

Agricultural donor funding without institutional reform is a fruitless exercise in Africa



In recent decades, donors have poured billions of dollars into boosting agriculture production in southern Africa. But the results remain mixed. For example, maize and soybean production have increased in countries such as Zambia and Tanzania, while the likes of Mozambique and Malawi have experienced a volatile output. Wandile Sihlobo and Gracelin Baskaran, a

development economics PhD candidate at the University of Cambridge, explore this subject more in the [linked article](#), written for and first published on *Daily Maverick*.

SA agricultural economy contracted in Q2, 2019



Although South Africa's economy has recovered from the previous quarter's economic performance with a 3.1% quarter-on-quarter seasonally adjusted growth rate (q/q saar), agriculture did not

contribute to the improvement. After a strong contraction (16.8% - - revised numbers) during the first quarter of 2019, we were optimistic that things would turn around for South African agriculture. We hoped that base effects coupled with improved horticulture production would trigger a recovery for the sector. However, we were wrong. Wandile Sihlobo discusses this topic in the [linked article](#).

A potential turning point for SA poor tractor sales might be close



This has not been a good year for South Africa's farming sector and related industries. The effects of a poor summer crop harvest which in turn influence farmers' financial position have spilt over to the agricultural machinery market which has been subdued all year. The figures for August 2019 presents no joy, although having increased from the previous month. Tractors' sales were down by 10% compared to August 2018, with about 437 units sold, [writes](#) Wandile Sihlobo.

OTHER NEWS

Genetically engineered corn may offset climate change effects



Researchers of Cornell University recently published a study in the journal, *Environmental Research Letters*, looking at the impact of climate change on corn yields in eight Midwestern states. The study shows that corn varieties improved by modern technology have an upside for overcoming emerging climate change concerns. The researchers paired 35 years of climatic data with United States producers' adoption of genetically engineered (GE) corn to find out if incorporating a new technology can offset the effects of higher temperatures and other weather impacts. Please [click here](#) to peruse.

Argentine farmers favouring safe-bet soy over corn as policy outlook darkens



Argentine farmers, anxious about an increasingly murky political outlook and economic turmoil, are turning toward soy over more expensive corn to cut costs, a shift that could impact next season's harvest in one of the world's top grain exporters. Farmers said a volatile economic situation in

Argentina and the likelihood of a new administration at the end of the year, after President Mauricio Macri was hammered in primary elections, meant soybeans looked a less risky bet than corn. The [linked Reuters article](#) discusses this subject more.

Get the latest news from the wine industry

Vinpro's newsletter is jam-packed with some high-level feedback on a number of themes and activities in the wine industry. Please [click here](#) to peruse.

UPCOMING EVENTS

Register now for the Agbiz Agribusiness Trade and Investment Workshop

In light of the trade realities, Agbiz is convening an Agribusiness Trade and Investment Workshop for representatives from the food and agribusiness industry on 26 and 27 September in Pretoria.

The aim of the workshop is threefold:

- To inform on the state of trade in the world and particularly in Africa, how regional agreements interlink and the institutions necessary to ensure the effective implementation;
- How African integration impacts on South Africa's trade with foreign markets;
- Highlight possible risks and opportunities that arise from this complexities.

For more information and to register, please [click here](#).

PSA Seed Growers' Forum & PSA Congress

17 & 18 September 2019 | Cape Sun Hotel | Cape Town

[More information](#)

Inaugural Agribusiness and Eco-tourism Forum, Angola-South Africa

26 & 27 September 2019 | CTICC | Cape Town

[More information](#)

VKB Information Days

Theme: "The future of agriculture in SA"

3 October 2019 | Siesta Guesthouse | Frankfort

4 October 2019 | Protea Hotel Ranch Resort | Polokwane

[More information](#)

Vehicle Telematics and Intelligent Mobility Conference

17-18 October 2019 | Emperors Palace Convention Centre | Kempton Park

[More information](#)

[Register](#)

2019 AFMA Symposium

29 October 2019 | CSIR International Convention Centre | Pretoria

[More information](#)

AFMA Forum 2020

Theme: "Explore today for a better tomorrow"

3-5 March 2020 | Sun City | South Africa

[More information](#)

Skills Development Summit & Achiever Awards

4-5 March 2020 | CSIR Convention Centre | Pretoria

[More information](#)

Contact Gordon Campbell: gordon.campbell@skillssummit.co.za

Agritech Africa

17-19 June 2020 | Cape Town International Convention Centre | Cape Town

[More information](#)

Agbiz Congress 2020

Theme: "Building resilient and sustainable agri-food ecosystems".

15 - 17 July 2020 | Sun City | South Africa



AGBIZ MEMBERSHIP

Why join Agbiz?

- Agbiz is the only organisation that serves the broader and common over-arching business interests of agribusinesses in South Africa.
- Agbiz addresses the legislative and policy environment on the many fronts that it impacts on the agribusiness environment.
- Agbiz facilitates considerable top-level networking opportunities so that South African agribusinesses can play an active and creative role within the local and international organised business environment.
- Agbiz research provides sector-specific information for informed decision-making.

- Agbiz newsletter publishes members' press releases and member product announcements.

[Please visit the Agbiz website for more information](#)



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